

BLUE CRANE ROUTE MUNICIPALITY (EC102)



DRAFT ANNUAL REPORT 2014/2015 FY

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REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others. Notes are included throughout the format to assist the compiler to understand the various information requirements.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and
- The other financial years will follow a similar sequence as explained above.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury

July 2012

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

MAYOR'S FOREWORD

It is a great humility honour for me to present to Council the 2014/15 Financial Year Annual Report for consideration. The year under review has been both challenging and exciting for Blue Crane Route Municipality. We are excited that all Senior Management positions have been filled. Blue Crane Municipality continues to strive to be the beacon of hope for the people of Blue Crane Municipality.

Some of the highlights of the year under review have been the commencement of the multi-million rand Somerset East Waste Water Treatment Plant , the near completion of the Aeroville Multi-Purpose Centre, the continuation of the paving of municipal gravel roads, completion of Mnandi Access Road, Upgrading of Water Infrastructure in Pearston, completion of the R16M Somerset East Bulk Sewer Line upgrade, commencement of the Construction of the Cacadu co-funded Fire Station in Somerset East, Planning and Design of the Sports Fields, provision of office equipment and furniture for Ward 3, 4, and 5 Ward Councillors to enable them to better serve their constituencies. The remaining three (3) Ward Councillors will be attended to during forthcoming Financial Year. We are indeed proud of these achievements.

Some of the challenges we faced during the year under review was the public protests at Cookhouse which led to the destruction of Councillor Properties and municipal buildings. As we close the current financial year, it is disheartening to note that Councillors residing at Cookhouse are unable to discharge their constitutional responsibilities as Public Representatives. This year also marked the death of two of our employees at Electricity Department who died on duty through electrocution. It is my wish and that of Council that as we part ways with the 14/15 Financial Year, that some of these negatives that characterised our municipality are never repeated.

Councillor M Scott
MAYOR / SPEAKER
BLUE CRANE ROUTE MUNICIPALITY (EC102)

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

Allow me as the Blue Crane Route Municipality's Accounting Officer on behalf of the executive management , all employees of Blue Crane Route Municipality and other internal stakeholders to express my gratitude at the tabling of Annual Report for 2014/2015 financial year. The presentation of this Annual Report would not have been possible without the support of the Mayor/Speaker, the Chief Whip of Council, Portfolio Councillors, Ward Councillors and all Councillors. The Annual Report is a statement of accountability of what was pre-set and was achieved against pre-determined objectives as encapsulated in the Integrated Development Plan (IDP). It is also seeks to give an account in terms of financial spending against the budget as approved by Council. Blue Crane Route Municipality (BCRM) continues to strive to be at the centre of delivering basic services and promoting good governance to its communities within the limited resources at its disposal. .

During the period under review, Blue Crane Route Municipality despite challenges continued to maintain political and administrative stability which is essential feature in achieving good governance. The Municipality is committed to building its institutional capacity to discharge its constitutional responsibility and mandate of providing basic services to its community. In this regard, the Integrated Development Plan (IDP) review process is a strategic policy instrument to realise this noble objective.

During the review of the 2015/16 IDP, the BCRM embarked on the Ward Based Planning (WBP) Model in its engagement with local communities. At the heart of this Model is an attempt to locate municipal planning at the 'coalface' of service delivery, which is represented in a ward and its diverse constituencies. All the communities in all wards of BCRM were consulted through ward meetings. A special word of gratitude goes to the officials of the Department of Local Government and Traditional Affairs (DLGTA) for the role played in the facilitation of such sessions.

The BCRM as part of its institutional response to the implementation of the IDP and promotion of good governance prioritised the filling of key vacancies. We prioritised the filling of the positions of Heads of Internal Audit and Supply Chain Management.

**THABISO KLAAS
MUNICIPAL MANAGER**

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

1.1.1 BLUECRANE ROUTE MUNICIPAL VISION, MISSION AND VALUES:

The BCR municipality is "A municipality that strives to provide a better life for all its citizens". The vision is aligned to the five development priorities and the national and provincial government strategic frameworks. The plans and budgets of the BCR are also designed /developed to achieve the vision.

The main purpose of a vision statement is to link the current situation with the future potential of an area. As such a vision statement plays a central role throughout the various processes of the IDP. It guides the prioritisation of needs, the setting of objectives and the implementation of various strategies and projects. The vision statement should be brief, inspiring, realistic, relevant and mobilising. It is important to reflect on the vision and mission of the municipality as a reminder of the direction the municipality should take in deciding on programmes on projects.

The vision and mission of BCRM is :

VISION

"A municipality that strives to provide a better life for all its citizens."

MISSION

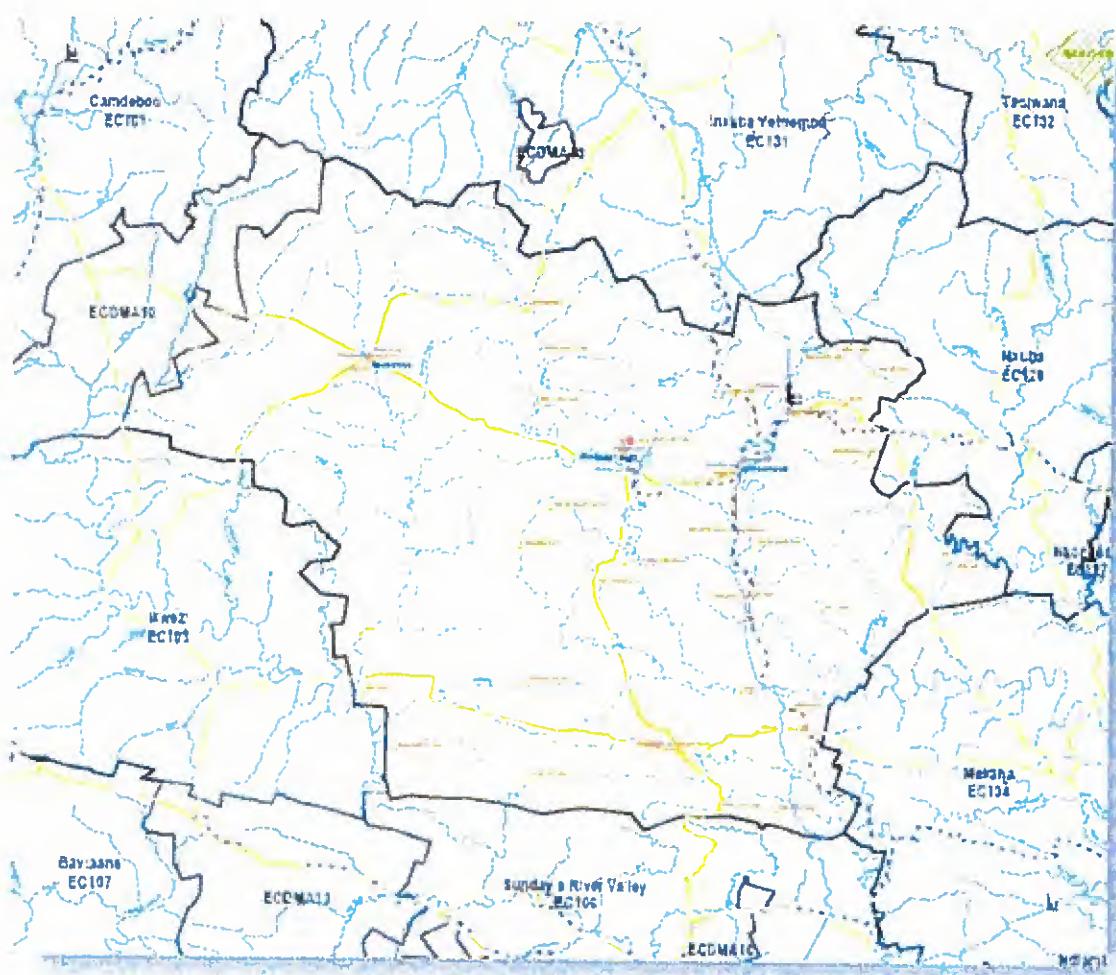
Through responsible local government, zero tolerance for corruption and creating an environment for upliftment and sustainable economic growth."

Values

- Good governance;
- Accountability;
- Public Participation;
- People Development;
- Team work;
- Integrity;
- Tolerance;
- Honesty;
- Responsibility; and trust

1.3. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA



The Blue Crane Route Municipality falls within the jurisdiction of the Cacadu District Municipality. The Municipality's area is bordered on the North-east by Nxuba Municipality, North-west of Inxuba Yethemba municipality, South of Makana Municipality and the South-west of Sundays River Valley municipality. The Blue Crane Route Municipality is located at 67 Nojoli Street, Somerset East.

Eleven councillors have been elected and the seat of the municipality is situated in Somerset East. The Blue Crane Route area comprises of rural commercial farms with rural towns and Somerset East is the main urban town. The rural town nodes and settlements include:

- Cookhouse
- Pearston

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

The background data which is presented gives an introduction to the demographic make-up of BCRM. According to STATSSA-Census 2011, the total population of the municipality is 36 003 inhabitants.

| Age | 1996 | | | 2001 | | | 2011 | | | Population '000 |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total | |
| Age: 0 - 4 | 1 543 | 1 570 | 3 112 | 1 581 | 1 418 | 2 998 | 2 172 | 1 784 | 3 956 | |
| Age: 5 - 9 | 1 915 | 2 003 | 3 917 | 1 788 | 1 774 | 3 562 | 1 741 | 1 712 | 3 453 | |
| Age: 10 - 14 | 2 104 | 2 053 | 4 157 | 1 899 | 1 968 | 3 867 | 1 645 | 1 463 | 3 108 | |
| Age: 15 - 19 | 1 717 | 1 883 | 3 600 | 1 910 | 1 941 | 3 851 | 1 558 | 1 615 | 3 173 | |
| Age: 20 - 24 | 1 500 | 1 591 | 3 090 | 1 351 | 1 476 | 2 827 | 1 428 | 1 432 | 2 859 | |
| Age: 25 - 29 | 1 259 | 1 315 | 2 573 | 1 396 | 1 431 | 2 827 | 1 401 | 1 359 | 2 760 | |
| Age: 30 - 34 | 1 193 | 1 351 | 2 544 | 1 183 | 1 255 | 2 439 | 1 150 | 1 163 | 2 314 | |
| Age: 35 - 39 | 1 072 | 1 202 | 2 274 | 1 201 | 1 368 | 2 569 | 1 189 | 1 247 | 2 436 | |
| Age: 40 - 44 | 958 | 976 | 1934 | 1 089 | 1 209 | 2 297 | 1 054 | 1 195 | 2 248 | |
| Age: 45 - 49 | 717 | 813 | 1 531 | 921 | 1 082 | 2 003 | 1 011 | 1 192 | 2 203 | |
| Age: 50 - 54 | 546 | 638 | 1 184 | 709 | 839 | 1 548 | 962 | 1 053 | 2 015 | |
| Age: 55 - 59 | 607 | 677 | 1 284 | 557 | 621 | 1 178 | 769 | 901 | 1 670 | |
| Age: 60 - 64 | 440 | 535 | 975 | 546 | 657 | 1203 | 570 | 714 | 1 284 | |
| Age: 65 - 69 | 387 | 454 | 840 | 359 | 436 | 795 | 414 | 517 | 931 | |
| Age: 70 - 74 | 230 | 318 | 548 | 251 | 359 | 610 | 320 | 457 | 777 | |
| Age: 75 - 79 | 151 | 215 | 366 | 141 | 231 | 372 | 152 | 239 | 391 | |
| Age: 80 - 84 | 52 | 128 | 180 | 106 | 160 | 266 | 80 | 162 | 242 | |
| 85+ | 80 | 155 | 234 | 46 | 147 | 193 | 66 | 116 | 182 | |
| Total | 16 468 | 17 874 | 34 342 | 17 034 | 18 372 | 35 406 | 17 682 | 18 321 | 36 003 | |

The population of BCRM has increased by 595 people over the past 10 years. This is reflective of a 0.17% compound average population growth rate from 2001 to 2011.

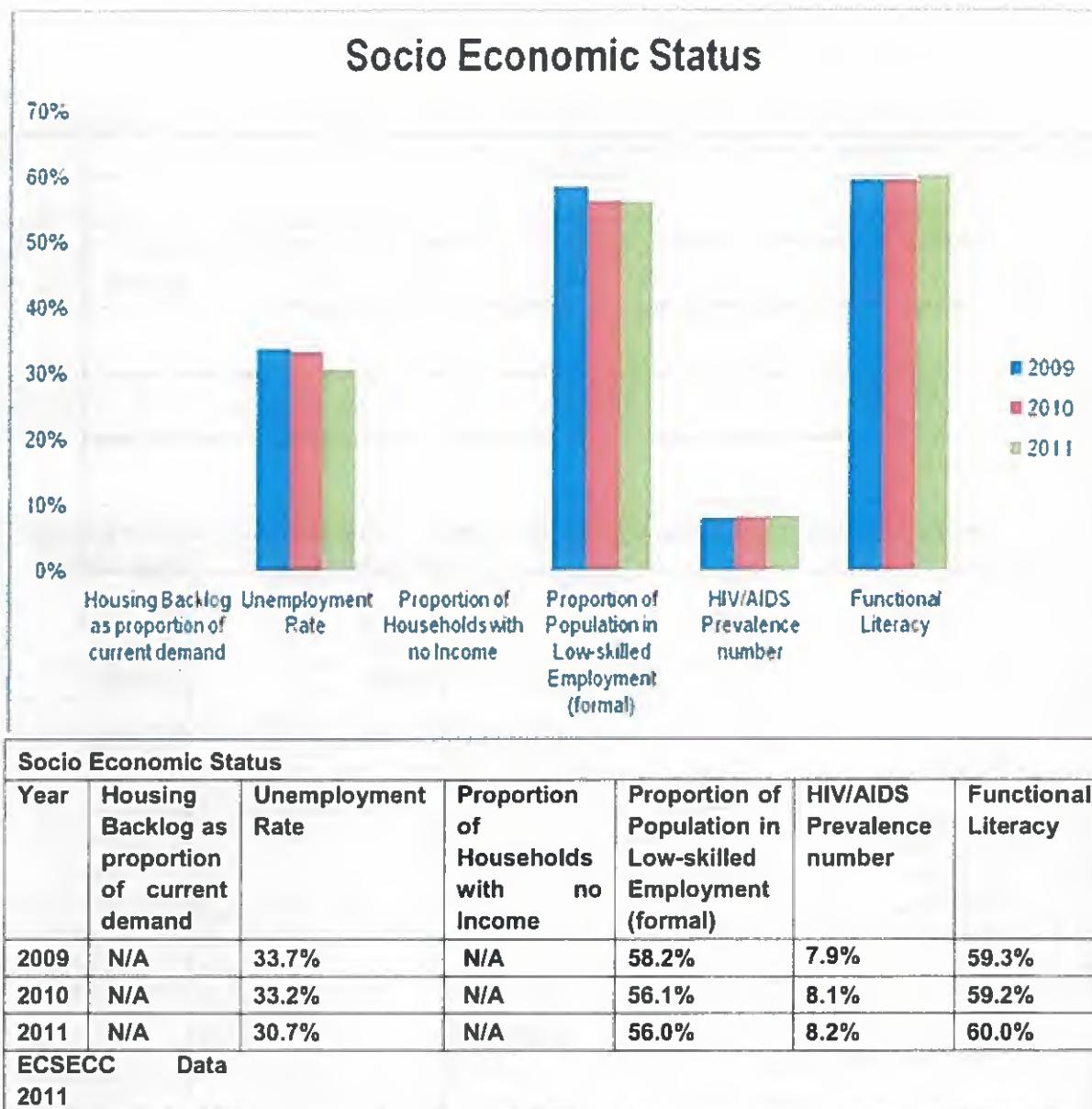
StatsSA 2011 reflects that 29% of the population are young and under 15 year of age, which requires intergovernmental planning efforts to jointly focus on improved education and providing sport and recreation facilities. Sport in particular plays an important part in youth development and relevant role-players should form partnerships to promote sport initiatives and youth programmes in Blue Crane Route. The high number of children could also be an indication of a dependency on child support grants.

| DEMOGRAPHICS | BLUE CRANE ROUTE AREA (STATSSA 2001) | BLUE CRANE ROUTE AREA (STATSSA 2011) | % | GROWTH % p.a. |
|----------------------------------|--|--|------|------------------|
| Population Grouping | 35 003 | 36 001 | | |
| Black | 20861 | 21247 | 59.0 | 0.19 |
| Coloured | 11515 | 11888 | 33.0 | 0.32 |
| White | 2606 | 2453 | 6.8 | -0.6 |
| Indian/Asian | 21 | 118 | 0.3 | 46.2 |
| Other | 0 | 295 | 0.8 | |
| Head of Household: Gender | 9 595 | 9 761 | | |
| Male | 6 486 | 5 927 | 60.7 | -0.9 |
| Female | 3 109 | 3 834 | 39.3 | 2.3 |

Source: StatsSA

According to StatsSA a 7% increase has occurred, from 32% to 39%, in respect of female headed households between 2001 and 2011. The increase is relatively high considering that the population growth rate has been very low over a 10 year period and the male to female sex ratio has only risen marginally. This could be reflective of males migrating in search of employment opportunities outside of the municipal area or the occurrence of single mothers deciding to create a basis for their young with the option of marriage later in life.

A large segment (50.1% - StatsSA 2011) of the population speaks IsiXhosa, followed by 42.2% communicating in Afrikaans. Black South Africans account for 59% of the population, followed by 33% Coloured South Africans. Stats 2011 also indicates that 95.5% of the population were born in South Africa.



In terms of Socio Economic data, the table above illustrates a gradually declining unemployment rate (33, 7% in 2009 to 30, 7% 2011). This marginal decline does bode well for economic growth in the municipality however it still needs to be properly determined where the actual source of this employment is coming from. 56% of the labour force in the municipality is involved in low skilled labour thus earn relatively lower wages. This proportion has been declining though and thus represents the transformation of the local economy and the need for higher skilled labour force.

StatsSA 2011 reflects that poverty levels are high with 46.1% of the population not receiving any income, and a further 10.8% earn less than R801 per month, therefore technically falling under the poverty line. This is exacerbated by the fact that 65.7% of the potential labour force are not working. The population lack buying power which makes it difficult to exploit local economic development

opportunities and the situation implies a high dependency on social grants. Interventions must be created and expedited to support poor communities.

The potential economic active labour force accounts for 60.2% of the total population which reinforces the need to boost the economy and stimulate job growth.

StatsSA indicates that 15.2% of the potential workforce is unemployed and a further 50.5% are not economically active in 2011. The remaining 34.3% of the labour force is employed. The overall dependency ratio is 56.8 persons per hundred population of working age. StatsSA 2011 also concludes that 1 953 of the youth in Blue Crane Route are unemployed.

Stats SA 2011 shows that 8.24% of the population over 20 years of age have not received any schooling. The figure is moderate and furthermore shows a decline or negative growth of -36.6% for the past decade (since 2001), when 4 088 or 19.6% of the population over 20 years had not undergone any schooling.

| Overview of Neighbourhoods within Blue Crane Municipality | | |
|--|-------------------|-------------------|
| Settlement Type | Households | Population |
| Towns | | |
| Somerset East | 4 974 | 19 173 |
| Pearston | 1 229 | 5 933 |
| Cookhouse | 1 566 | 10 897 |
| | | |
| | Sub-Total | 7 769 |
| | | 36 003 |
| Townships | | |
| Aeroville | | 1068 |
| New brighton | | 337 |
| Old location | | 357 |
| Chris hani | | 384 |
| Voslooadaal | | 269 |
| Westview | | 35 |
| Francis vale | | 343 |
| Mnandi | | 1022 |
| | Sub-Total | 3815 |
| Rural settlements | | |
| | | |
| | | |
| | Sub-Total | 611 |
| Informal settlements | | |
| | | 800 |
| | | |
| | Sub-Total | 800 |
| | Total | 9 180 |
| | | 36 003 |

7 1.2.6

1.4. SERVICE DELIVERY OVERVIEW

The Service Delivery is the tool that mostly measures a municipality on its performance and provision of services to the customers. BCRM is one of the municipalities in the Eastern Cape near the Sarah Baartman District that operates as a water services Authority (WSA) and water services provision. It gets its funding for service delivery from different spheres of government e.g. MIG funding, EPWP and CWP Incentive grant, INEP grant funding, DWS ACIP funding. These grants are earmarked for implementation of projects.

MIG Funding has been utilised to implement the following project:

- Somerset East waste water Treatment Works
- Cookhouse paving of gravel roads
- Pearston paving of gravel roads
- Aeroville Multi-Purpose Centre (Jakes Gerwel)

The MIG allocation funding for 2014/2015 Financial Year has been fully spent at the end of quarter one of the financial year. This has put the municipality in the mark as one of the best performing municipalities in the Eastern Cape and in the entire district.

EPWP and CWP incentive grants have been funded by the Department of Cooperative Governance and Traditional Affairs and Department of Public Works. BCRM has created 130 jobs in the EPWP projects and 375 jobs in the CWP projects. The municipality is progressing very well in these two grants and has met targets set by Provincial Departments with the allocated funds.

INEP grant funding was utilised for electrification of farm workers houses which was done successfully.

DWS ACIP grant funding was utilised to address water leaks and installation of bulk water meters to be able to reduce water loss. BCRM has spent its budget fully and received additional budget to implement more projects.

Challenges:

- The budget is very limited and is hindering the implementation of the projects and infrastructure backlog.
- The delay in the approval and issuing of the EIA report affects the implementation of the extension of Cookhouse WWTW, which delays the construction of RDP houses.

COMMENT ON ACCESS TO BASIC SERVICES:

All formal households have access to basic services and electricity.

- Informal settlement have access to water, access to bucket system which is collected three times a week, portion of HH does not have electricity connections.

1.5. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The financial policy of the Blue Crane Route Municipality is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services to the citizens within the Blue Crane Route Municipal area. During the 2014/15 financial year the cash resources were under severe pressure and declined to its lowest levels since 2011. This was mainly due to the late commencement of procurement processes to raise the External loan Financing provided for in the Capital Budget. The situation was exacerbated by the accelerated spending of MIG funds in the 2013/14 financial year and the 2014/15 financial year. The municipality however managed to keep positive cash and cash equivalents balance throughout the year and ended the year with surplus funds after receiving the loan funding in June 2015. The municipality spent all its Conditional Grants from the National fiscus and aims to continue this positive trend of spending funds wisely whilst improving service delivery. Detailed information regarding the municipality's financial performance is available in Chapter 5 of the report.

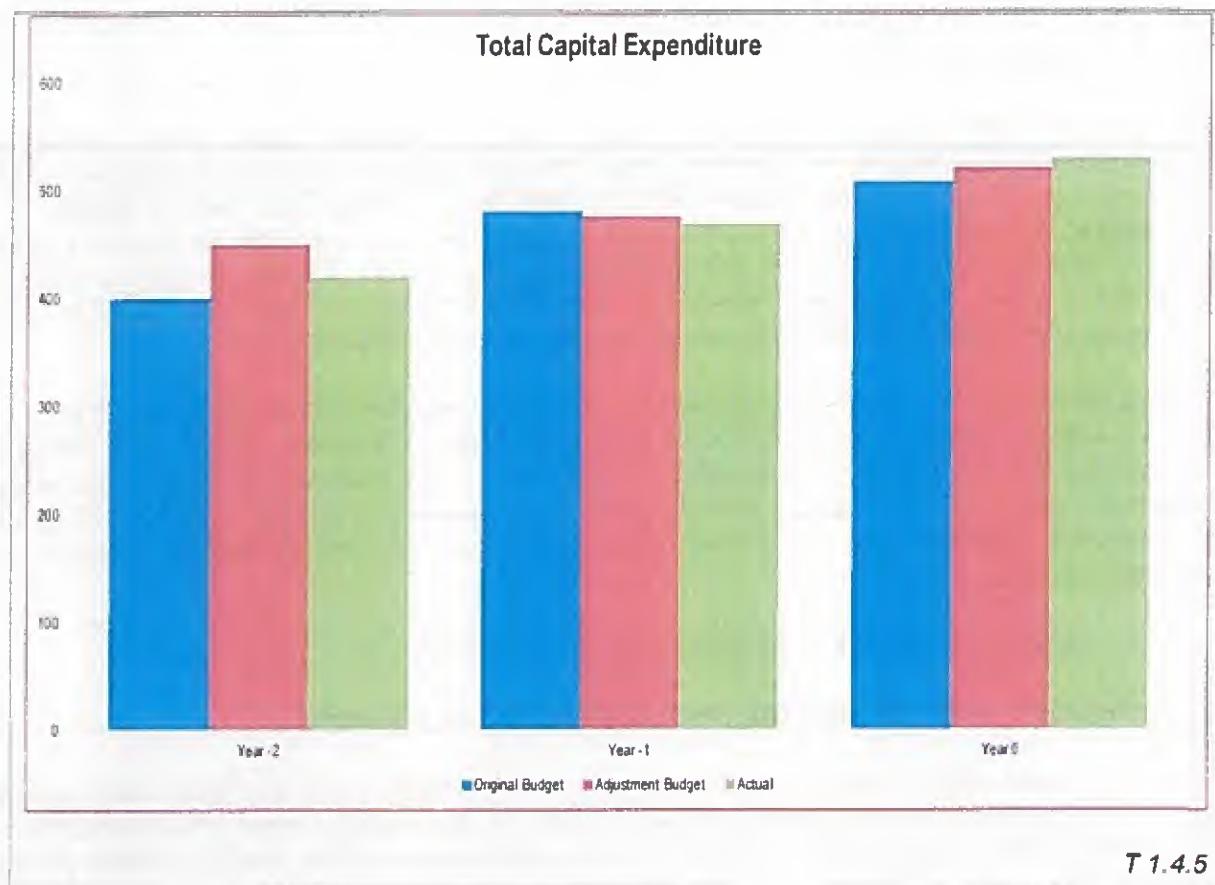
| Operating Ratios | |
|------------------------------|-----|
| Detail | % |
| Employee Cost | 30% |
| Repairs & Maintenance | 2% |
| Finance Charges & Impairment | 20% |
| T 1.4.3 | |

COMMENT ON OPERATING RATIOS:

The employment costs of the municipality are contained within the expected norms where we have achieved 30% of total expenditure, but it must be noted that there are still numerous critical vacancies that are earmarked to be filled in the near future which would increase this ratio. The municipality is currently embarking on a Revenue Enhancement process to raise additional funding to create budget for the critical vacant posts.

Repairs & Maintenance expenditure and ratio of 2% is at a very low level and this is due to affordability. There is also a lack of maintenance plans to motivate for increased budget provision. These deficiencies must be addressed in the medium term as NERSA has already issued an instruction to the municipality to increase the Electricity Services Repairs budget to a minimum of 5%.

The Finance Charges & Impairment ratio is high in relation to the expected norms, but this is due to the re-calculation of the Asset Register Values that increased depreciation which takes up the bulk of the expenditure. The municipality has also had to take up additional loans to finance Capital Projects in the 2014/15 financial year and this will increase the Finance Costs even higher



T 1.4.5

COMMENT ON CAPITAL EXPENDITURE:

- The municipality adjusted its Capital Budget from R 39, 4 million to R 44, 6 million during the mid-year adjustments budget due to additional grant funding and internal funds from the previous year that had to be added to the budget.
- Expenditure performance at year-end amounted to R37 million which represents 83% performance against the adjustment budget.
- The unspent funds largely related to late commencement of projects and the procurement processes being finalised late in the financial year. The funds however remain committed and will have to be added to the 2015/16 Capital Budget to complete the projects. All Grant funding for Capital projects were spent in the 2014/15 financial year.
- Taking this into account, the municipality's performance is considered to be good and is at an acceptable level.

1.6. ORGANISATIONAL DEVELOPMENT OVERVIEW

The Blue crane Route Municipality continues to continually review its Organisational Structure to respond to its developmental imperatives as encapsulated in its Integrated Development Plan (IDP). All senior management positions remained filled for the period under review. All senior managers signed Performance Agreements and performance assessments and reviews are conducted on a

quarterly basis. The performance results of each quarterly assessment are tabled to Council meeting after the end of each quarter.

The two critical positions of Manager: Internal Audit and Manager: Supply Chain and Assets Management were filled for the first time at BCRM. This was a deliberate attempt to strengthen internal controls in the area of good governance and supply chain management. The municipality also reviewed its organisational structure in the Community Services Directorate after the resignation of the then Manager: Protection Services and dissolved the position to make way for a creation of two key positions within the Directorate. These are i.e. chief : Fire Services and Chief Traffic Services. The positions have since been advertised and shall be filled in the new financial year..

The municipality also embarked on the review of its various bylaws and human resources policies. These were subsequently presented to all internal stakeholders for input and engagements. The draft reviewed bylaws were also tabled in various stakeholders meeting in all three (3) towns of Blue crane Route Municipality. We anticipate the consultation process and consolidation of submissions to be concluded soon and these to be tabled to Council in the next financial year for adoption and implementation.

1.7. AUDITOR GENERAL REPORT: YEAR (2014/2015)

THIS SECTION WILL BE UPDATED UPON COMPLETION OF THE AUDIT.

The Auditor General's Consolidated Audit report for the Blue Crane Route Municipality was received on 15 December 2014 and reflected a Qualified opinion on the Financial matters of the municipality. It is indeed disheartening that there were still recurring areas of qualification, namely: Property, plant & equipment; Investment property; Irregular Expenditure; and Basis of Preparation. The municipality managed to address five (5) of the previous year's nine (9) areas of qualification. Reliance is placed upon Management & the Finance Department to address all the findings and achieve an unqualified audit opinion.

The 2013/14 Consolidated Audit Report reflected an improvement in the Audit of Predetermined Objectives (AOPO) which focuses on Performance Management from a disclaimer opinion in 2012/13 to a qualified opinion in 2013/14. It is expected that this opinion will also improve now that we have employed a dedicated IDP / PMS Manager.

The municipality accepts the Auditor General's report as a fair reflection of the current status and commits itself to address the findings to achieve a clean administration that is compliant with all the applicable laws and regulations.

1.8. STATUTORY ANNUAL REPORT PROCESS

| No. | Activity | Timeframe |
|-----|--|---------------------|
| 1 | Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period | July |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). | |
| 3 | Finalise the 4th quarter Report for previous financial year | |
| 4 | Submit draft year 0 Annual Report to Internal Audit and Auditor-General | |
| 5 | Municipal entities submit draft annual reports to MM | |
| 6 | Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant) | August |
| 8 | Mayor tables the unaudited Annual Report | |
| 9 | Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General | |
| 10 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase | September - October |
| 11 | Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data | |
| 12 | Municipalities receive and start to address the Auditor General's comments | November |
| 13 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report | |
| 14 | Audited Annual Report is made public and representation is invited | |
| 15 | Oversight Committee assesses Annual Report | December |
| 16 | Council adopts Oversight report | |
| 17 | Oversight report is made public | |
| 18 | Oversight report is submitted to relevant provincial councils | January |
| 19 | Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input | |

T 1.7.1

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

The Blue Crane Route Municipality is governed by a plenary system of governance. Decisions are taken at Council meetings through the process of resolving and or approving recommendations made at Standing Committees meetings level.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

Due to the nature of the municipality, Standing Committees and Council meetings are held bi-monthly. The following are the Standing Committees namely;

- Finance Standing Committee
- Corporate Services Standing Committee
- Technical Services Standing Committee
- Community Services Standing Committee.

Blue Crane Route Municipality has established a Municipal Public Account Committee (MPAC) which is an Oversight Committee .MPAC is comprised of both ward and PR councillors, with a PR Councillor from the opposition party as the Chairperson. MPAC provides Council with comments and recommendations on the Annual Report.

Photos

POLITICAL STRUCTURE

MAYOR / SPEAKER

Name: Nontuthuzelo Marjorie Scott

Photos

CHIEF WHIP

Name: Mncedi Keith Mali

2.1 POLITICAL GOVERNANCE

COUNCILLORS

Blue Crane Route Municipality is comprised of eleven (11) Councilors; six (6) councilors are ward councilors, and five (5) proportional representative councilors. The Mayor was nominated from the five PR councilors. The ward councilors are responsible for the wards they are representing and PR councilors provide support to wards. Refer to **Appendix A** where a full list of Councilors can be found (including committee allocations and attendance at council meetings).

POLITICAL DECISION-TAKING

Political decisions and resolution are taken at the Council meeting. Decisions are taken by consensus or vote through majority of the councilors present at the meeting

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The BCRM has the following Directorates in its organizational structure .These are i.e. Office of the Municipal Manager, Corporate Services, Community Services, Finance and Technical Services

TOP ADMINISTRATIVE STRUCTURE
MUNICIPAL MANAGER (ACCOUNTING OFFICER)
Name : Thabiso Klaas

DIRECTOR: Technical Services
Name : Ms Z. Ntile

DIRECTOR: Corporate Services
Name : Mr F.G. Cotani

DIRECTOR: Community Services
Name : Mr S.L. Mvunelwa

DIRECTOR: Financial Services
Name : Mr G.J. Goliath

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

2.3 INTER-GOVERNMENTAL RELATIONS

The Blue Crane Route Municipality developed IGR Terms of Reference on the 05 July 2013. The council have adopted the terms of reference supported by Department of Local Government and Traditional Affairs. IGR meeting are held on a quarterly basis with IDP Representative Forum. Each Sector department has a representative in the IGR meetings. The Municipality has appointed a permanent employee responsible to coordinate all IGR matters.

The municipality through the Mayor and the Municipal Manager participate in the Technical and Political MuniMec of the Eastern Cape. The Mayor and the Municipal Manager also participate in the Cacadu District Mayors and Municipal Managers Forum respectively. The Municipality also participates in all SALGA provincial working groups.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Blue Crane Route Municipality has an entity called Blue Crane Development Agency. The Agency is headed by the Chief Executive Officer with Program Managers who report directly to the CEO. The entity is accountable to the Board of Directors .The relationship between the municipality and the entity is regulated through Service Level Agreement .The entity is responsible for developing and implementing Local Economic Development initiatives .The entity submits quarterly reports and annual reports to Council and its committees.

The mandate of the BCDA is to facilitate and execute economic and social development on behalf of the Blue Crane Route Municipality.

The focus areas are:

- Integrated Master Development Planning
- Agriculture and
- Renewable Energy
- Tourism
- Business
- Aerospace
- National Aerospace Centre representation in the Eastern Cape
- Social Development

During the period under review, the Blue crane Route Municipality and the BCDA Board of Directors took a Council and Board Resolutions respectively to dis-establish the BCDA. The Council and the Board further resolved that the senior management of the BCDA be integrated in the Cacadu Development Agency (CDA) and other employees be integrated into BCRM staff establishment. The

BCRM Council further resolved that the CDA administers all the Local Economic Development projects that were under the BCDA and that a Service Level Agreement (SLA) be developed in this regard.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Blue crane Route is committed to its constitutional and legislative mandate of enhancing public accountability and public participation. As part of public accountability and enhancing public participation; the Blue Crane Route Municipality uses the Ward Based Planning Model as its cornerstone in the review its IDP. This model allows communities in all wards of BCRM to have access in influencing decisions affecting them. Public Accountability and Participation is also promoted through quarterly Ward Committee meetings, Inter-Governmental Relations (IGR) meetings and other stakeholder engagement meetings.

During the period under review, Blue Crane Route Municipality reviewed its Public Participation Strategy and Communication Policy. These policy instruments sought to improve public accountability and participation. The draft strategy and policy were tabled in various internal and external platforms for input and engagements and were subsequently adopted by BCRM Council. Mayoral Imbizo's are also undertaken on a quarterly basis with the communities on matters related to the IDP and Budget and other related matters.

2.4 PUBLIC MEETINGS

| Public Meetings | | | | | | |
|--|----------------|---|--|---------------------------------------|--------------------------|---|
| Nature and purpose of meeting | Date of events | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Issue addressed (Yes/No) | Dates and manner of feedback given to community |
| Ward Based Planning | | | | | | |
| Feedback on the Situational Analysis | | | | | | |
| Ward 1 | 09/09/2014 | 2 | 7 | 90 | Yes | 07/05/2015 Meeting |
| Ward 2 | 09/09/2014 | 2 | 9 | 63 | Yes | 05/05/2014 Meeting |
| Ward 3 | 08/09/2014 | 2 | 7 | 29 | Yes | 06/05/2015 Meeting |
| Ward 4 | 10/09/2014 | 2 | 5 | 83 | Yes | 08/05/2015 Meeting |
| Ward 5 | 09/09/2014 | 2 | 8 | 27 | Yes | 07/05/2015 Meeting |
| Ward 6 | 09/09/2014 | 2 | 6 | 69 | Yes | 06/05/2015 Meeting |
| IDP/Budget Meeting | | | | | | |
| To give feedback on Ward Based Plans and to present IDP and Budget for the 2015/16 FY | | | | | | |
| Ward 1 | 07/05/2015 | 2 | 6 | 71 | Yes | N/A |
| Ward 2 | 05/05/2014 | 3 | 7 | 36 | Yes | N/A |
| Ward 3 | 06/05/2015 | 2 | 6 | 25 | Yes | N/A |
| Ward 4 | 08/05/2015 | 2 | 7 | 56 | Yes | N/A |
| Ward 5 | 07/05/2015 | 2 | 7 | 24 | Yes | N/A |
| Ward 6 | 06/05/2015 | 2 | 7 | 112 | Yes | N/A |
| Effective public participation has contributed to the provision of vital and functioning representative democracy by encouraging citizens to be actively involved in municipal decision making processes. It has effectively encouraged citizens to identify themselves with the institutions of government and to take active role in decision making. A number of public participation programs has contributed immensely to the civic activism and enable citizen voice to be heard, respected and taken into account | | | | | | |

WARD COMMITTEES

The Blue Crane Route Municipality has relatively functional ward committees. The ward committees were elected according to the provisions of the Local Government: Municipal Structures Act and the Municipal Systems Act.

The purpose of ward committees is to:

1. Increase the participation of local residents in municipal decision making
2. Involvement in the IDP processes, municipal performance management, annual budget, council projects and other key activities and programmes as all these impact on local people.
3. Identify and initiate local projects to improve development within the ward.
4. Support the Councilor in dispute resolutions, providing information about municipal operations.
5. Monitor performance of the municipality and raise concern to the local ward.
6. Help with community awareness campaigns e.g. waste, water and sewerage, payment of fees and charges

All ward committees do attend meetings which are convened by the Office of the Speaker on a quarterly basis. However there are inconsistencies in each ward in each ward in terms of ward committee meeting attendance. The functionality of ward committees also varies from ward to ward. All other wards committees are relatively functional, except for Ward 1 and 6 in Cookhouse where ward

meetings are not held due to political instability. The matter is being attended by the Office of the Mayor/Speaker and has been reported to the Office of the Premier of the Eastern Cape.

2.5 IDP PARTICIPATION AND ALIGNMENT

| IDP Participation and Alignment Criteria* | Yes/No |
|--|--------|
| Does the municipality have impact, outcome, input, output indicators? | Yes |
| Does the IDP have priorities, objectives, KPIs, development strategies? | Yes |
| Does the IDP have multi-year targets? | Yes |
| Are the above aligned and can they calculate into a score? | Yes |
| Does the budget align directly to the KPIs in the strategic plan? | Yes |
| Do the IDP KPIs align to the Section 57 Managers | Yes |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | Yes |
| Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes | Yes |
| Were the indicators communicated to the public? | Yes |
| Were the four quarter aligned reports submitted within stipulated time frames? | Yes |

* Section 26 Municipal Systems Act 2000

T 2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

The Municipal Council is the highest structure in terms of decision making .The Standing Committees sit bimonthly and make recommendations to Council .The following governance structures are in place and these are: Audit Committee, Internal Audit and Municipal Public Account Committee (MPAC).

The Internal Audit function had a shared service between the Blue Crane Route Municipality and two neighbouring municipalities namely, Camdeboo and Ikwezi Municipalities. The Internal Audit Committee provides opinions and recommendations on financial processes and performance and provides comments to the municipality. The meetings of the Audit Committee are held on a quarterly basis.

The terms of the Internal Audit and the Audit Committee both expired on 30 June 2015. The municipality has appointed a Manager: Internal Audit who commenced duty in June 2015 and will be assisted with an Internal Audit Intern whilst the recruitment of another Internal Auditor is done during the 2015/16 financial year. The Audit Committee Recruitment process commenced and ended in June 2015 with the Council increasing the new Audit Committee from 3 members to four. The Audit Committee will in the 2015/16 be known as the Audit, Risk and Performance Committee.

2.6 RISK MANAGEMENT

MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

The Strategic Risk Register for the 2014/15 financial year was developed in June 2014 and was adopted by the Audit Committee as well as Council.

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Note: See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T 4.3.6). MSA 2000 s 83 (c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.

Blue Crane Route subscribes to the principles of good corporate governance, which requires the conducting business in an honest and transparent fashion. The Plan is premised on the organizations core ethical values driving the business of Blue Crane Route, the development of its systems, policies and procedures, interactions with ratepayers, the public and other stakeholders, and even decision-making by individual managers representing the organization. This means that in practice all

municipalities, departments and other business units of Blue Crane Route and even external stakeholders must be guided by the Plan as the point of reference for their conduct in relation to Blue Crane Route.

Blue Crane Route will be consistent and efficient in its application of the disciplinary measures. Additional measures, which will be considered include:

- Communication of specific disciplinary standards and forbidden conduct;
- Introducing a system where the application of disciplinary measures is applied consistently;
- Steps for ongoing training of managers in the application of disciplinary measures;
- Where managers are found to be inconsistent and/or inefficient in the application of discipline, Blue Crane Route will consider firm action; and
- Publication (within the permissible legal framework) of the outcomes and sanctions of disciplinary actions, including lessons learned. The successful achievement of these initiatives, together with their communication is expected to have a deterrent effect.
- Blue Crane Route will perform specific detection reviews in areas, which are at a high risk of unethical conduct, fraud and corruption on a regular basis. This will include the conducting of presentations to employees, including managers, to ensure that they have a more detailed understanding of the risks associated with these areas, thus also enhancing the prospect of detecting irregularities earlier. These include:
 - Recruitment of staff;
 - Procurement, e.g. emergency procurement, sole suppliers, etc;
 - Housing, e.g. allocation, administration of housing waiting lists, etc; and
 - Financial Systems and Control, e.g. payment of suppliers, receipt and banking of revenue received
 - The Service Provider KPMG, the municipality's Internal Auditors up until 30 June 2015, has work-shopped the fraud risk assessment during period 11th and 12th June 2014. Some of the following topics were covered in the workshop:
 - Fraud awareness presentation, and
 - Fraud risk identification and assessment, and
 - Documentation of controls and control effectiveness
 - Documenting additional mitigation measures (where applicable)

The resultant Fraud Risk Register for the 2014/15 financial year was developed in June 2014 and was adopted by the Audit Committee as well as Council.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The Municipality has a supply chain management policy in place. The objective of this policy is to provide a policy framework within which the Municipal Manager and Chief Financial Officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, and competitive. The policy also ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development. By adopting this policy the

council further pledged itself and the municipal administration to the full support of the Proudly South African campaign and to the observance of all applicable national legislation, including specifically the:

- Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;
- Broad Based Black Economic Empowerment Act. No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and
- Where applicable, the council also pledges itself to observe the requirements of the Construction Industry Development Board Act No. 38 of 2000 and its regulations.

Reports on the implementation of the SCM policy are submitted quarterly to the Accounting Officer; the Mayor; and Council. The last quarterly report was tabled to Council on 28 July 2015. The SCM Annual report on the implementation of the SCM policy for the 2014/15 financial year was submitted to the Accounting Officer; Mayor and the Council on 28 July 2015, according to the regulations.

The municipality employed the Manager: Supply Chain and Asset Management during the 2014/15 financial year and he duly commenced duty in June 2015. It is anticipated that with all SCM posts now filled, the procurement processes will improve and the audit findings be reduced to a minimum.

2.9 BY-LAWS

| By-laws Introduced during Year 0 | | | | | |
|----------------------------------|---------|--|-------------------------------|----------------------------|---------------------|
| Newly Developed | Revised | Public Participation Conducted Prior to Adoption of By-Laws (Yes/No) | Dates of Public Participation | By-Laws Gazetted* (Yes/No) | Date of Publication |
| Toll Parking Areas | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Aerodrome | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Community Fire Safety | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Management | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Electricity Supply | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Fence and Fencing | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Funeral Parlour, Cemeteries & | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Impoundment of Animals | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Liquor Selling Hours | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Outdoor Advertising & Signage | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Prevention & Suppression of | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Public Amenities | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Roads & Traffic | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Stormwater Management | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Street Trading | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |
| Water Supply and Sanitation | | Yes | 17-20/11/14 & 10-11/06/15 | Not yet | |

*Note See MSA section 13.

T29.1

COMMENT ON BY-LAWS:

The Blue Crane Route Municipality issued out Tender No. T6/2014 for Development and Reviewal of By-laws; the tender closed on 9 May 2014. The municipality sought to appoint and utilise the services of a reputable service provider to review its current by-laws as well as to develop new by-laws in order to ensure that it adapts to its changing socio-economic environment.

The objects of local government in terms of Chapter 7 Section 152(1)(a) of the Constitution is to "encourage the involvement of communities and community organisations in the matters of local government." Chapter 7 further prohibits the passing of by-laws, unless the proposed by-law has been published for public comment in terms of Section 160(4). Section 162 restricts the enforcing of promulgated by-laws, unless they have been published in the official provincial government gazette and made accessible to the public by the municipality concerned.

In terms of Section 4(2)(c) of the Local Government Municipal Systems Act, No.32 of 2000, as amended, the council of a municipality has the duty to "encourage the involvement of the local community" and in terms of Section 4(2)(e) to "consult the community about the level, quality, range and impact of municipal services provided by the municipality".

The duty of a municipality to publish by-laws passed by council and to make them available to the public for perusal is given effect to in Sections 13,14 and 15 of the Municipal Systems Act.

Public Participation Process has been undertaken in accordance with the requirements of the above legislative frameworks.

2.10 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

During the year under review, there was no public satisfaction survey conducted. The municipality doesn't specifically conduct surveys; however through community participation meeting held between the municipality and various stakeholders, the municipality does get feedback on the services offered and also level of satisfaction from these services. The municipality also through engagements with ward committees and community development workers obtains the information concerning the community needs and grievances. Subsequent these deliberations, the municipality then develop mechanisms to address the concerns.

The municipality also has a customer care unit; the unit is used as another platform to get the responses and complaints from the public. The complaints submitted are then complied and submitted as a report to Council for consideration as they are the decision makers.

During the year under review, there were however two public protests during the year. The first protest in Wards 1 and 6 was political in nature, whilst the second protest in Ward 5 was service delivery related.

INTRODUCTION

Service delivery is at the forefront of what BCRM aims to achieve. It is vitally important that all municipal structures and entities are optimally harnessed in such a way that will make the delivery of services to the residents a reality. This chapter deals with service delivery of basic services over the past financial year and gives a detailed breakdown of the various activities, achievements and challenges that the municipality has faced with regards to service delivery. BCRM classifies basic services as Water, electricity, sewer, refuse services, infrastructure and housing.

This chapter gives an overall picture of where the municipality is placed in terms of this important function.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

Service delivery is at the heart of what BCRM aims to achieve. It is vitally important that all municipal structures and entities are optimally harnessed in such a way that will make the delivery of services to the residents a reality. This chapter deals with service delivery of basic services over the past financial year and gives a detailed breakdown of the various activities, achievements and challenges that the municipality has faced with regards to service delivery. BCRM classifies basic services as Water, electricity, sewer, refuse services, infrastructure and housing.

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

Somerset East

The bulk raw water supply for the town of Somerset East consist mainly of the extraction of Orange-Fish River Scheme water from the Somerset East Irrigation Sub-Area Canal (SEISA), supply from boreholes and supply from fountains and mountain runoff in the Bestershoek area. Raw water is extracted from the SEISA Canal where it is currently pumped to the Lake Bertie and Van der Walt dams where after it is purified at the Orange-Fish and Bestershoek Water Purification works at a rate of 94m³/hr. The allocated extraction limit from the Canal is 100m³/hr. The raw water supply has recently been upgraded to 252 m³ / hr to the dams as mentioned above.

The Orange-Fish Purification Works was designed to treat a capacity of 54l/s, but can only achieve a maximum output of 45l/s. The total amount of raw water that was pumped from the SEISA Canal in the

last year was measured to be 1803m³/day on average with 133 days pumping totalling 239 799 m³/a. Actual measured volume extracted from the Canal was 226 244m³.

During rain, runoff water accumulates in the Bestershoek catchment area. The runoff supplies the Bestershoek Dam, which overflows into the Van Der Walt Dam lower down in the same valley. Overflow water from the Van Der Walt Dam is channelled to Lake Bertie. All three holding dams are earth dams. Lake Bertie is situated approximately 2.7km south east from the Van Der Walt Dam.

Several fountains draining from the Bestershoek Valley and mountains feed into the Bestershoek Dam. These fountains have been developed in the past and feeds down to the Bestershoek Dam in pipelines. During dry seasons or drought the yields of the fountains seized.

Raw water is extracted from the outlet structure of the Dam to the Bestershoek Purification Works beyond, by means of gravity. The incoming raw water supply is measured at the works. Raw water is also pumped from the Van Der Walt Dam lower down the valley to the Purification Works at Bestershoek having a purification capacity of 27l/s.

Cookhouse: Extraction from Hougham-Abrahamson Canal

The extraction from this point is by means of a pump system as well as from the upgraded Orange Fish canal gravity system. The water is extracted from the Hough Abrahamson canal by means of flooded suction from a sluiced take-off into the pump house from where it is pumped by means of a 150mm diameter pipeline to the water treatment works with a capacity of 53l/s. The length of the pipeline is measured to be approximately 1800m. An agreement existed between the Hougham-Abrahamson Irrigation Board and the Cookhouse Transitional Council for the extraction of a maximum of 100m³/hr subject to a maximum of 365 000m³/annum (29.2ha) of raw water. Currently the measured extraction rate is calculated to be approximately 52m³/hr on average. The pump station is equipped with 2 pumps with 22kW electric motors with a maximum capacity of approximately 55m³/hr.

No records of registration exist of the 40MI retention dam at the new WTW.

Cookhouse: Extraction from Boschberg Canal

The Boschberg Canal was originally constructed - as a community scheme by the members of the Boschberg Sub-Area (formerly the Boschberg Irrigation Board) - to a capacity that was determined by the needs of the members. The Scheme was funded by the members. The Boschberg Canal feeds from the Orange-Fish River Canal and supplies water to its members downstream until it ends at the Van Aardt Dam adjacent to Cookhouse - privately owned by a local farmer.

With the serious shortage of portable water for the town of Cookhouse, the Cookhouse Local Council approached the Boschberg Sub-Area at the time regarding an interim agreement that the Council would be able to use "excess overflow water" not utilized at the time by the members of the Board. A verbal agreement was made that in exchange for assistance in maintaining the Canal and the sealing of the Van Aardt Dam, the Council could utilize the excess water. There is no evidence of any volumes mentioned.

The Council, as result of the "gentlemen's agreement", had a sluice distributor and a pipeline constructed from the end of the Boschberg Canal to the new water treatment works in Cookhouse. The pipeline is 315mm dia. uPVC. The Municipality made use of the excess water from the Boschberg Canal by means of this system, but could never rely on a guaranteed supply from the Canal. In 2005 the Blue Crane Municipality formally applied to the Department Of Water Affairs for an allocation of water via the Boschberg Canal. It was turned down by the Boschberg Sub-Area stating that no permanent excess capacity was available. They did however agree to temporarily assist should excess capacity be available.

NOTE: The above supply arrangements have been changed with the new direct gravity supply directly from the Orange Fish main canal.

Pearston: Extraction from Boreholes

The water supply to the town of Pearston is completely dependent on the supply of water from boreholes. In total three boreholes contributes to the bulk supply of water to the town. The greater extraction is done from the Rustenburg Borehole. Some small farmers as well as the main supply to town are relying on the supply from this one source.

Major challenges in Water Services and Remedial Actions

The following challenges are faced by the BCRM:

Pearston

Pearston obtains its water from boreholes only. Consumption increased with the bucket eradication program and the borehole is over exploited. If this borehole collapses, the town will be left without sufficient water.

Somerset East

Water is obtained from surface water that is seasonal and rainfall dependant, as well as water from the Orange-Fish Irrigation Scheme. The town is dependent on the only reliable source, being the Orange-Fish Canal supply. A project has been completed and it's being implemented for a new bulk water pipeline to ensure that the town will be able to overcome any water shortage threats in the future.

Cookhouse

Due to the fact that Cookhouse was administered by the old Transnet, all assets and rights still resides with Transnet. The town is dependent on water from the Orange-Fish Irrigation Scheme and has no surface or borehole sources.

The present water supply to the town is not reliable, and a pipeline is recently completed from the Orange-Fish Scheme to secure sustainable water to the town.

Water losses

The total water losses in the municipality are estimated to be at 74 ML/annum. Domestic activities account for the largest amount of the water usage and losses thereof in Blue Crane Route Municipality, industries being the biggest user. According to available data, domestic water usage is increasing by approximately 700 cubic meters per day for the financial years leading to 2013/2014. Industries have however seen an increase in water usage of approximately 50 cubic meters per day.

Projects

1. Water Conservation and Demand management in BCRM
2. Installation of bulk water meters in BCRM
3. Retro-fit project in Pearston
4. Water loss audit in the entire BCRM
5. Installation of Strainers

COMMENT ON WATER USE BY SECTOR:

Domestic activities account for the largest part of water usage in BCRM, industry being the second largest consumer.

| Description | Water Service Delivery Levels | | | | Households |
|---|-------------------------------|-----------------|-----------------|-----------------|------------|
| | Year -3 | Year -2 | Year -1 | Year 0 | |
| | Actual No. | Actual No. | Actual No. | Actual No. | |
| Water: (above min level) | | | | | |
| Piped water inside dwelling | 5 026.00 | 5 026.00 | 5 026.00 | 5 026.00 | |
| Piped water inside yard (but not in dwelling) | 3 904.00 | 3 904.00 | 3 904.00 | 3 904.00 | |
| Using public tap (within 200m from dwelling) | 486 456.00 | 486 468.00 | 464 864.00 | 546 486.00 | |
| Other water supply (within 200m) | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | 9 416.00 | 9 416.00 | 473 794.00 | 555 416.00 | |
| <i>Minimum Service Level and Above Percentage</i> | 0.95 | 0.95 | 0.65 | 0.65 | |
| Water: (below min level) | | | | | |
| Using public tap (more than 200m from dwelling) | | | | | |
| Other water supply (more than 200m from dwelling) | 486 456.00 | 486 456.00 | 486 456.00 | 486 456.00 | |
| No water supply | | | | | |
| <i>Below Minimum Service Level sub-total</i> | 486 456.00 | 486 456.00 | 486 456.00 | 486 456.00 | |
| <i>Below Minimum Service Level Percentage</i> | 0.05 | 0.05 | 0.04 | 0.04 | |
| Total number of households* | 8 930.00 | 8 930.00 | 8 930.00 | 8 930.00 | |
| <i>* - To include informal settlements</i> | | | | | T 3.1.3 |

| Households - Water Service Delivery Levels below the minimum | | | | | | |
|--|----------|----------|----------|-----------------|-----------------|----------|
| Households | | | | | | |
| Description | Year -3 | Year -2 | Year -1 | Year 0 | | |
| | Actual | Actual | Actual | Original Budget | Adjusted Budget | Actual |
| | No. | No. | No. | No. | No. | No. |
| Formal Settlements | | | | | | |
| Total households | 8 930.00 | 8 930.00 | 8 930.00 | 8 930.00 | 8 930.00 | 9 761.00 |
| Households below minimum service level | 369.00 | 369.00 | 369.00 | 369.00 | 369.00 | 358.00 |
| Proportion of households below minimum service level | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Informal Settlements | | | | | | |
| Total households | 8 930.00 | 8 930.00 | 8 930.00 | 8 930.00 | 8 930.00 | 9 761.00 |
| Households ts below minimum service level | 369.00 | 369.00 | 369.00 | 369.00 | 369.00 | 369.00 |
| Proportion of households ts below minimum service level | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |

| Capital Expenditure Year 0: Water Services | | | | | | |
|--|----------------|-------------------|--------------------|-------------------------------|---------------------|---------|
| Capital Projects | Year 0 | | | | | R' 000 |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | R 3 710 000.00 | R 3 410 000.00 | R 1 050 000.00 | -R 2.53 | | |
| Project A | | | | | | |
| Project B | | | | | | |
| Project C | | | | | | |
| Project D | | | | | | |
| Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) | | | | | | T 3.1.9 |

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

BCRM has experienced a number of challenges with regards to water services of these include the following:

- Pearson obtains its water from boreholes only. One of the boreholes (Rustenburg) supplies approximately 70% of the town's water. Consumption increased with the bucket eradication program and the borehole is over exploited. If this borehole collapses, the town will be left without sufficient water. However there is a project under the ACIP grant from the Department of Water and Sanitation to sight additional boreholes to augment the existing bulk water supply.
- Somerset East Water is obtained from surface water that is seasonal and rainfall dependent, as well as water from the Orange/Fish Irrigation Scheme. The town is dependent on the only reliable source, being the Orange/Fish Canal supply. A project has been completed and it's being implemented with a new bulk water pipeline to ensure that the town will be able to overcome any water shortage threats in the future. Somerset East also has
- Due to the fact that Cookhouse was administered by the old Transnet, all assets and rights still reside with Transnet. The town is dependent on water from the Orange/Fish Irrigation Scheme and has no surface or borehole sources. The present water supply to the town is not reliable, and a pipeline is required from the Orange-Fish Scheme to secure sustainable water to the town

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Sewer outfall is managed by various methods in the Blue Crane Route. Besides the Chris Hani settlement in Somerset East, the entire community of the Somerset East urban area is serviced with a waterborne sewer system. A substantial capital outlay has been budgeted for and is being spent; further provision must be made for upgrading the facility to a waterborne reticulation system. The BCRM has eradicating the Bucket System in line with the national priority requiring all bucket systems to be completely eradicated, however informal settlement still remain with the backlog. The BCRM's objective is to supply each consumer with full water borne sanitation system, if technically and financially feasible.

Sanitation Services delivery strategy and main role-players

As a WSP and a WSA, the Municipality takes full responsibility for sewage disposal and treatment in all towns.

Level and standards in Sanitation Services

BCRM has not eradicated all buckets and some residents in informal settlements are still using buckets. BCRM is in the process of upgrading the bulk WWTP facilities in all towns and the status is as follows:

Pearston

Pearston has a newly build WWTW facility. The facility has been under-designed and needs to be enlarged.

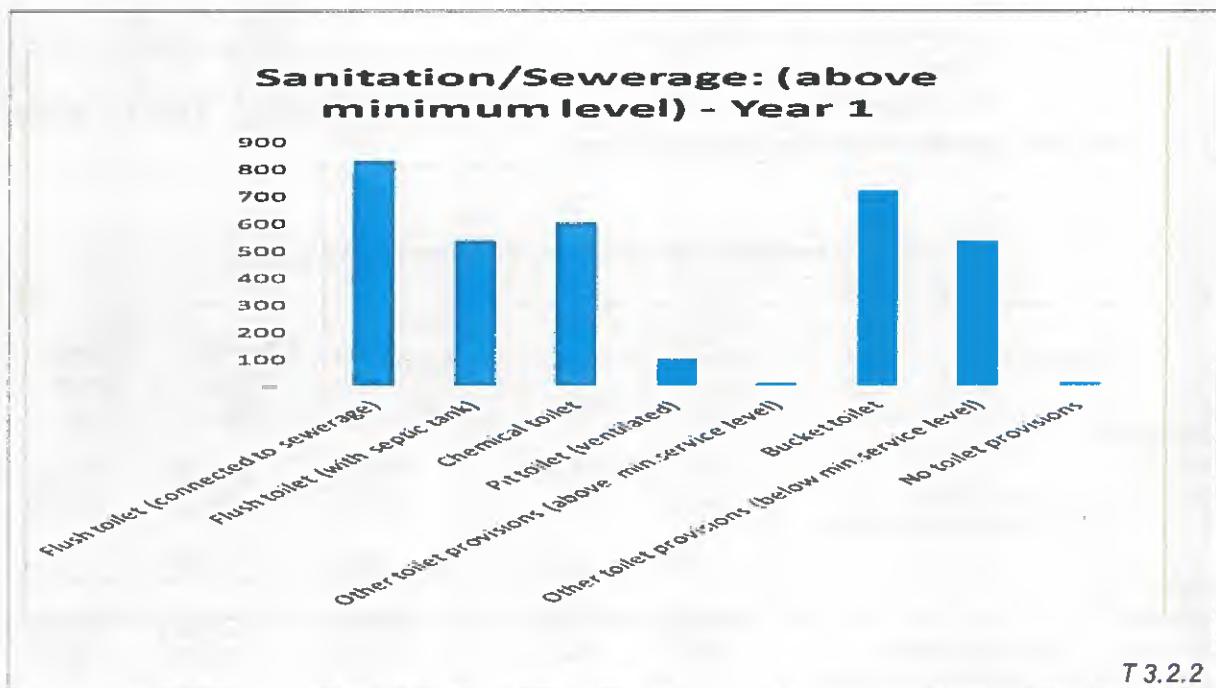
Somerset East

Residential reticulation in the town is old and requires intensive maintenance actions. At the moment a new activated sludge purification works is under construction in Somerset East to upgrade the WWTW.

Cookhouse

The bulk WWTW needs to be upgraded and the project is under-design. MIG funds have been allocated to the project, but the progress has been retarded due to an EIA study that could not be completed in the past three years.

T 3.2.1



T 3.2.2

| Sanitation Service Delivery Levels | | | | |
|---|---------------------------|---------------------------|---------------------------|-------------------------|
| Description | *Households | | | |
| | Year -3 Outcome No. | Year -2 Outcome No. | Year -1 Outcome No. | Year 0 Actual No. |
| Sanitation/sewerage: (above minimum level) | | | | |
| Flush toilet (connected to sewerage) | 5 026.00 | 5 026.00 | 7 258.00 | 7 258.00 |
| Flush toilet (with septic tank) | 561.00 | 561.00 | 561.00 | 561.00 |
| Chemical toilet | | | | |
| Pit toilet (ventilated) | | | | |
| Other toilet provisions (above min.service level) | | | | |
| <i>Minimum Service Level and Above sub-total</i> | 5 587.00 | 5 587.00 | 7 819.00 | 7 819.00 |
| <i>Minimum Service Level and Above Percentage</i> | 1.00 | 0.94 | 0.95 | 0.95 |
| Sanitation/sewerage: (below minimum level) | | | | |
| Bucket toilet | 369.00 | 369.00 | 369.00 | 358.00 |
| Other toilet provisions (below min.service level) | | | | |
| No toilet provisions | 10.00 | 11.00 | 12.00 | 15.00 |
| <i>Below Minimum Service Level sub-total</i> | 0.00 | 380.00 | 381.00 | 373.00 |
| <i>Below Minimum Service Level Percentage</i> | 3.79 | 0.06 | 0.05 | 0.05 |
| Total households | 5 587.00 | 5 967.00 | 8 200.00 | 8 192.00 |
| <i>*Total number of households including informal settlements</i> | | | | |
| | | | | T 3.2.3 |

| Households - Sanitation Service Delivery Levels below the minimum | | | | | | |
|---|--------------------------|--------------------------|--------------------------|---------|---------|---------|
| Description | Households | | | | | |
| | Year -3 Actual No. | Year -2 Actual No. | Year -1 Actual No. | Year 0 | | |
| Formal Settlements | | | | | | |
| Total households | 6730.00 | 6782.00 | 6782.00 | 6782.00 | 6782.00 | 8177.00 |
| Households below minimum service level | 369.00 | 369.00 | 369.00 | 369.00 | 369.00 | 358.00 |
| Proportion of households below minimum service level | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.04 |
| Informal Settlements | | | | | | |
| Total households | 6730.00 | 6782.00 | 6782.00 | 6782.00 | 6782.00 | 8177.00 |
| Households below minimum service level | 369.00 | 369.00 | 369.00 | 369.00 | 369.00 | 369.00 |
| Proportion of households below minimum service level | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |
| | | | | | | T 3.2.4 |

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

| Capital Expenditure Year 0: Sanitation Services | | | | | | R' 000 |
|---|--------------|-------------------|--------------------|-------------------------------|------|---------------------|
| Capital Projects | Year 0 | | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | | |
| Total All | 4 533 000.00 | 5 651 000.00 | 12 203 000.00 | 0.63 | | |
| Project A | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Project B | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Project C | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Project D | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

T 3.2.9

The Blue Crane Route Municipality waste water treatment facilities are generally overstressed and operating over capacity. The Municipality is however planning to upgrade the facilities and is currently busy with a construction of the Somerset East waste water treatment works and awaiting RoD of the EIA to begin with the upgrade of the Cookhouse waste water treatment works. The BCRM plans to eradicate all bucket system and septic tank within the municipality through the Department of Human Settlement within the next 5 years.

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The BCRM is a licensed distributor of Electricity within the area and is registered with NERSA licence number NER/D/EC102. Electricity is being distributed by the Municipality to its consumers of about 8691. The Blue Crane Route Municipality has vast distribution networks consisting of a combination of urban and rural infrastructure to ensure a sustainable electricity supply to its consumers.

It is a challenging task to maintain this vast electrical infrastructure and expand, upgrade, or refurbish with the available funding. The agricultural sector is the biggest electricity consuming sector and is growing.

Electrification Projects Completed

Electrification of 15 farm worker houses

Refurbishment of High masts in all three towns, Somerset East, Cookhouse and Pearson.

Installation of new street lights in Cookhouse.
 Installation of street lights in Nqantosi.
 Electrification of RDP houses in Pearston.
 Electrification of RDP houses in Chris Hani and old location.

Challenges to the Electrical Services Department is the rural networks which are a challenge to maintain with the limited resources. There is also the problem of staff shortage in the department which BCRM is in the process of addressing. The shortage of field vehicles is another challenge in the department in maintaining the rural network.

Further to the challenges of the Electrical Services Department is the increasing electrical losses that are currently at 24% that need to be addressed and reduced.

| Capital Expenditure Year 0: Electricity Services | | | | | | R' 000 |
|---|--------------|-------------------|--------------------|-------------------------------|-------|---------------------|
| Capital Projects | Year 0 | | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | | |
| Total All | 2 070 000.00 | 936 000.00 | 288 000.00 | | -6.19 | |
| Project A | | | | | | |
| Project B | | | | | | |
| Project C | | | | | | |
| Project D | | | | | | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | | T 3.3.8 |

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Blue Crane Route Municipality's electricity covers an area of approximately 9900km²; this includes the three (3) towns, Somerset East, Cookhouse and Pearston, as well as an extensive farming community. The supply ranges from a full connection in rural and urban areas and prepaid to a ready board system, the Municipality has its own distribution licence to supply electricity to rural and urban areas within its boundaries. Our maximum demand hovers in the region of 15, 5 MVA. New developments and expansion with regards to electrification during the 2011/2012 financial year include the following:

- Electrification of 34 shacks in Cookhouse and RDP houses in Church Street
- Electrification of 166 farm worker houses in rural area
- Electrification of project of RDP houses in Pearston
- New High Rise Pump station in Somerset East
- New developments at Dairy Belle cheese factory in Cookhouse
- In Chris Hani and Old location approximately 240 houses have either been electrified or the connections transferred from one shacks to newly built RDP houses
- There are 435 rural transformers that supply electricity to dairy farm, chicken farms piggeries; ostrich farms and irrigation farms producing animal fodder, vegetables, grain etc.

The favourable conditions in the rural area led to the development of several new centre pivots and dairy farm in the region.

The following upgrades were done to the electricity network to accommodate the developments:

- Five regulators have been installed on Eastport HT line strengthen supply.
- A new 22 kV power line was built from Somerset East to Pearston.
- The main supply to Cookhouse was strengthened with new cable and switchgear and 2 new 200, a regulator as well as a new overhead line in Cookhouse.
- A low tension line was built in Buikkant Street in Pearston with street lighting.
- Sportlights were installed at sport field in Pearston.
- New streetlights were installed in Millennium Park, Pearston.
- Streetlights in Nojoli Street in Somerset East were equipped with yellow sodium lights
- Spotlights were installed in dark areas in Mnandi, Aeroville and Cookhouse informal settlement.
- Electricity is supplied to the pump station in Clevedon for new high rise project with a switch gear an 11 kV cable as well as overhead line with a 500kVA transformer.
- A 5 MVA transformer has been purchased for Wellington Grove and Middleton power lines.
- A 6 MVA transformer has been purchased for the Eastpoort/ Klipfonteinpower line. A new plinth was cast for these transformers.
- The main substation was extended for installation of new equipment.

Electrification remains one of the municipality's most important functions. BCRM's ability to efficiently fulfill this function is hampered by challenges which can negatively impact upon performance. Chief amongst these concerns over the year under review is that the electricity infrastructure constantly needs upgrading as the network ages and demands expand.

As a solution the municipal unit dealing with electricity started a ring-fencing exercise to upgrade the infrastructure.

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Refuse collection services are provided to all the residents of BCRM in Cookhouse, Pearston and Somerset East. There is a set schedule for the collection of household and business refuse. This type of waste is collected at least once a week in different days in residential areas of Somerset East. In Cookhouse and Pearston household and business refuse is collected Monday's only and the rest of the remaining days in that week are used to collect garden refuse. The challenge with the collection of garden refuse is that it is not regulated by the municipality. Members of the community dump any day of the week and some dump big heaps. Some even create illegal dumps as they do not want to dump in front of their own properties and so they dump on the corners of the streets.

The department of community services is working on specifications for buying a new compactor truck for the collection of business and household refuse. This will reduce the work load placed on the other trucks as they also have to take up the work of the compactor truck that has broken and could not be fixed because it was more expensive to fix it.

All the municipal solid waste disposal sites are not managed according to the minimum requirements for landfill sites. Two of the authorized sites no longer comply with these requirements. Since the adoption and approval of the Integrated Waste Management Plan in 2008 by Council, the department has not been able to implement any recommended project to address waste management challenges. This is due to lack of funding as the municipality depends on MIG funding for big projects.

| Capital Expenditure Year 0: Waste Management Services | | | | | | |
|---|--------|-------------------|--------------------|-------------------------------|---------------------|---------|
| Capital Projects | Year 0 | | | | | R' 000 |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 260 | 326 | 378 | 31% | | |
| Project A | 100 | 130 | 128 | 22% | 280 | |
| Project B | 80 | 91 | 90 | 11% | 150 | |
| Project C | 45 | 50 | 80 | 44% | 320 | |
| Project D | 35 | 55 | 80 | 56% | 90 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | | T 3.4.9 |

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The following are the waste management challenges as experienced by BCRM in the 2014/15 financial year.

1. Understaff as a result of resignations, deaths and dismissals
2. Constant breakdown of vehicles and machinery
1. Insufficient refuse removal tariffs
2. Businesses are using the public refuse drums for their waste to avoid paying for the extra waste generated.
3. Illegal dumping by members of the public
4. Poorly managed landfill site due to lack of resources for maintenance

In order to overcome some of the above challenges, the following interventions were implemented in the financial year in questions

1. SWOT analysis of the service

The municipality developed a questionnaire to collect data on waste management practices in general for the entire BCRM. This data was analysed and the departmental SWOT analysis was done to see where we can improve. From the SWOT analysis a number of programmes were developed. These are:

2. **Environmental Awareness campaigns** – These campaigns focused on educating members of the public on waste management issues and waste collection schedules of the municipality including the bylaws applicable.
3. **Eradication of illegal dumps** - Illegal dumps were identified, cleaned and beautified. This exercise involved members of the public and Youth Jobs on Waste programme by the department of Environmental Affairs. During these campaigns members of the public living closer to the dumps are encouraged to adopt these beautified spots. The beautification of these illegal dumps is continuing
4. **Lobby funding for Recycling initiatives** – At the moment recycling is done at a lower scale by a private company. The department embarked on lobbying funds to improve recycling initiatives so that there is very little waste that goes to the landfill sites. There is still no money in the bank but there are definitely positive signs towards that direction. As part of this initiative the department has already received 700 wheel bins from Department of Environmental Affairs.
5. **A new compactor was procured** – The supply and deliver of this vehicle took too long though but it will sure add value to the service of refuse collection.
6. **Landfill site permit**. BCRM has three landfill sites in Cookhouse, Pearston and Somerset East. It was only the Pearston site that was not permitted. During this financial the municipality has managed to secure a permit for the Pearston landfill site with the help of Department of Environmental Affairs.

7. Review of refuse collection schedules

The household and business waste collection schedules were not changed as they were still working well. The only change was the reporting templates. New templates were developed so that each business owner can sign when the refuse has been collected. This reduced the number of complaints received from business people. The garden refuse collection is still a challenge due to the breakdown of vehicles but has improved a lot.

8. Construction of a change room

The construction of a change room was provided for in the 2014/15 capital budget and was built in Cookhouse and Somerset east to improve the working conditions of the employees.

3.5 HOUSING

Housing received a high level of prominence during the year under review. The right to adequate housing is one of the basic human rights and the municipality is striving to ensure that this need is addressed. The Housing Section is responsible for the following functions:

1. Housing Rectification Projects
2. Land Acquisition for Human Settlements Development
3. Implementation of title deed restoration project
4. Housing needs register

1. Housing Rectification Projects

The municipality facilitated the implementation of the rectification projects in Pearston, Cookhouse and Mnandi, while the Aeroville Project is complete there is one outstanding house to be constructed and snags that require attention.

Pearston Rectification Project:

The Pearston project was earmarked to deliver 50 housing units and as things stand the project is standing at 38 completed houses while the remaining 12 is a subject of ongoing engagements between the Municipality and the Department of Human Settlements. Concrete recommendations are being explored with an intention to resolve outstanding matters in order to complete the project as a matter of urgency.

Cotani 5 Housing Project: The project was started towards the end of 1994 however challenges were identified in the middle of its implementation and tangible recommendations are being explored to resolve the identified challenges.

Bhongweni 150 and Mnandi 93 Rectification Projects: All necessary preparations are complete and these projects are scheduled to commence in the first quarter of the next financial year.

2. Land Acquisition for Human Settlements Development

The Provincial Exco visit led by the Honourable Premier Phumulo Masualle in April 2015 brought tangible outcomes for the municipality in terms of acquisition of land for human settlement development. Two pieces of land were acquired for Cookhouse community which will help to address not only housing delivery but other socio-economic challenges as well. 93 hectares of land was secured from Transnet and the additional 100 hectares will be sourced from Masizame Trust during the next financial year.

3. Implementation of title deed restoration project

Legislation and policy confirms the need to ensure access to title deeds. Key component of Human Settlements confirms that title deed should be provided in instances of ownership, although studies reveal an increasing number of beneficiaries not receiving title deeds upon occupation. The municipality is actively participating in the Department of Human Settlements to ensure that homeowners are deservedly supplied with a title deed.

4. Housing Needs Register

The municipality is coordinating an electronic housing needs register which is intended to ensure that all those who require houses are registered in the national electronic housing needs register. The Blue Crane Route Municipality has approximately 4000 beneficiaries currently registered.

| Percentage of households with access to basic housing | | | |
|---|---|-------------------------------------|--|
| Year end | Total households (including in formal and informal settlements) | Households in formal settlements | Percentage of HHs in formal settlements |
| Year -3 | 8219 | 947 | 11.5% |
| Year -2 | 8537 | 350 | 4.1% |
| | | | T 3.5.2 |

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

BCRM provides free basic services to those classified as indigent in the municipality. Families that are classified as indigent are determined by the municipality through an indigent policy. The municipality maintains a register which allows it to document all those households needing access to free basic services. The indigent policy seeks to realise the following objectives:

- The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council. This regard the Municipality is able to mitigate the impact of poverty and unemployment;
- The financial sustainability of free basic services through the determination of an appropriate tariff system that contributes to such sustainability through cross subsidisation;
- Establishment of a framework for the identification and management of indigent households including a socio-economic analysis where necessary and an exit strategy;
- The provision of procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households; and
- Co-operative governance with other spheres of government.

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

As reflected in the Introductory remarks, the municipality provides indigent assistance to all households with an income less than two state pensions. The access to this assistance is through a formal application process whereby customers can apply personally at the Municipal Offices or participate in the annual Indigent Register Update programme where the municipality conducts visits to all wards to capture these applications.

During the year under review, the municipality conducted various Masakhane Outreaches from May 2014 up to June 2015. In May and June 2014, field work was done by visiting Community Halls; In September and October 2014, Masakhane awareness was done through the IDP process; and in November 2014 a second round of visits to all Wards in Community, church and school halls were done. In February and March 2015, the ward committee members embarked on a door-to-door campaign to educate individual households on the Indigent Support and the importance of paying your municipal account. These outreaches saw the Indigent register grow from 2500 in July 2014 to 3977 in June 2015. Feedback sessions on the Indigent Register and Indigent Policy review was done in June 2015 which led to the final adoption of the Indigent Register and Reviewed Indigent Policy on 30 June 2015.

The Indigent Steering Committee (ISC) was also revived during this financial year with four meetings convened for the year. Although four meetings were convened, the municipality fell short of its target of 6 meetings for the year. The ISC is comprised of the Mayor, in her capacity as Finance Standing Committee Chairperson, as Chairperson; all 6 Ward Councillors; the 5 Community Development

Workers (CDWs); and relevant Finance Department officials. The target is to continue with these meetings to improve the provision of Free Basic Services to the deserving community

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

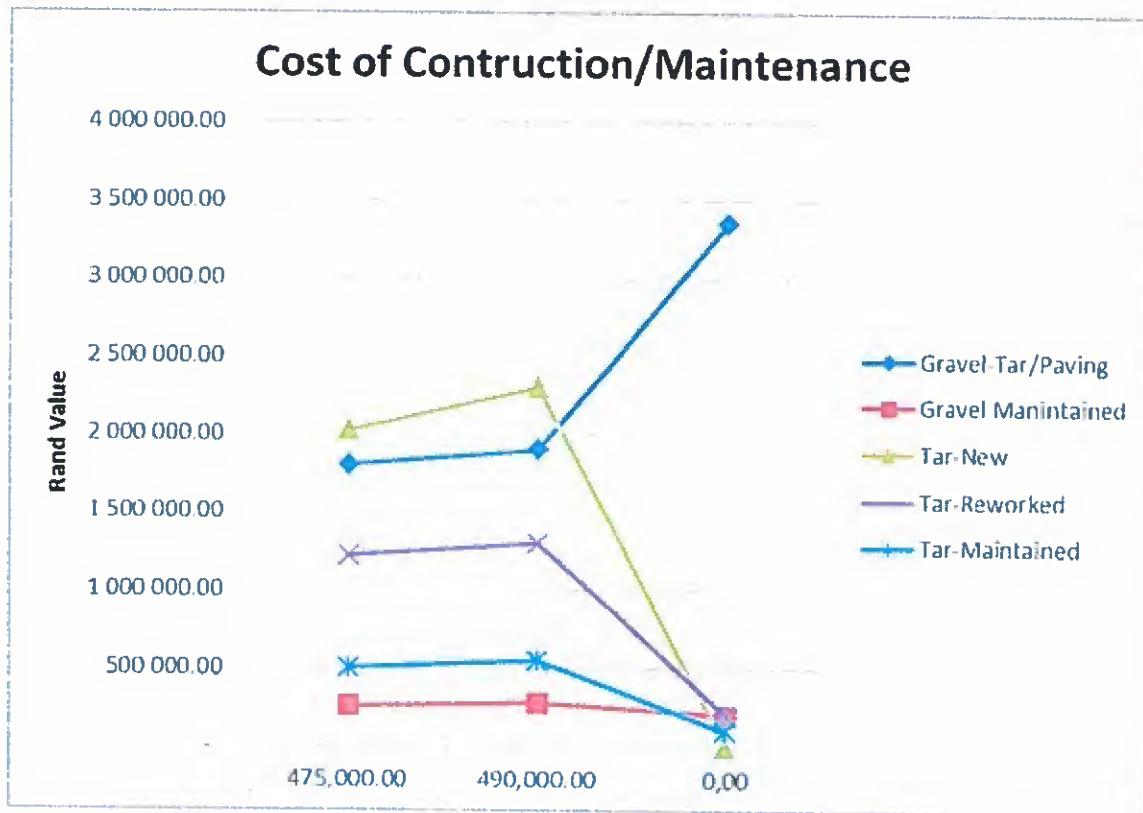
INTRODUCTION TO ROADS

Roads form one of most basic infrastructural components necessary for development. A well-functioning and well maintained road network creates a positive economic environment influencing the economic activity of the area. In the context of the BCRM, the extent and quality of the existing road network has a significant impact on both the local economy and the community as a whole, since it fundamentally impact on the mobility of both people and produce into the area.

In an economic context, this specifically affects the agricultural related industries and tourism, in particular. If the road network is not sufficiently maintained it could have a negative influence on the potential growth rate of the leading economic sectors. The existing bitumen surfaced roads are deteriorating, as the Municipality does not have sufficient funding for road maintenance.

The general status of roads in the urban areas of Blue Crane Route ranges from tar surfaced in central business areas and higher income residential areas to gravel surfaced and graded roads in the middle and low income areas respectively. The maintenance of roads throughout the entire Blue Crane Route Municipal Area (urban and rural) is problematic due to the lack of funding. Urgent attention and funding is needed to address this problem.

| Gravel Road Infrastructure | | | | | Kilometers |
|----------------------------|--------------------|------------------------------|-------------------------------------|--------------------------------|------------|
| | Total gravel roads | New gravel roads constructed | Gravel roads upgraded to tar/paving | Gravel roads graded/maintained | |
| 2012/13 | 98.00 | 0.00 | 0.00 | 98.00 | |
| 2013/14 | 114.00 | 0.00 | 2.05 | 114.00 | |
| 2014/15 | 114.00 | 0.00 | 1.05 | 114.00 | |
| | | | | T 3.7.2 | |



| Tarred Road Infrastructure | | | | | | Kilometers |
|----------------------------|--------------------|---------------|------------------------------|-------------------------------|----------------------|------------|
| | Total tarred roads | New tar roads | Existing tar roads re-tarred | Existing tar roads re-sheeted | Tar roads maintained | |
| 2012/13 | 52.40 | 0 | 0 | 0 | 52.40 | |
| 2013/14 | 52.40 | 0 | 0 | 0 | 52.40 | |
| 2014/15 | 52.40 | 0 | 0 | 0 | 52.40 | |
| | | | | | 737.3 | |

Chapter 4

| Capital Projects | Year 0 | | | | | R' 000 |
|------------------|--------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 2 000 000.00 | 2 430 000.00 | 2 430 000.00 | 0.18 | | |

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The Municipal road infrastructure mainly composes of collectors and access roads (i.e. Class 4 & 5 roads), approximately 60% of the road infrastructure is gravel roads/ not surfaced. The municipality does not have sufficient budget for maintaining the existing road infrastructure and the current grant allocations are not sufficient to eradicate the road infrastructure backlog. The municipality is however considering other avenues to find the road infrastructure maintenance funds or upgrade funds.

3.8 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The existing Storm water drainage is maintained and upgraded by the team on a weekly basis. The municipality's responsibility is to ensure that when there are heavy rains all the storm water drains are unblocked.

The projects implemented for the upgrading of gravel road, the municipality ensures that, it caters for the storm water gradient slope to re-route the water flow coming from the mountains to the nearby river.

Challenges experienced:

- The municipality's residential areas are below the mountains and most of the time it affects the roads and the driveways of houses. This gives the municipality the challenge of receiving complaints from the community members about their houses being damaged by the strong water flowing from those mountain falls.
- The budget is very limited to address all the stormwater drainage challenges because currently only using the maintenance budget which does not do much in addressing these issues.

| Stormwater Infrastructure | | | | | Kilometers |
|---------------------------|---------------------------|-------------------------|------------------------------|--------------------------------|------------|
| | Total Stormwater measures | New stormwater measures | Stormwater measures upgraded | Stormwater measures maintained | |
| Year -2 | 160 | 20 | 12 | 120 | |
| Year -1 | 166 | 25 | 14 | 140 | |
| Year 0 | 168 | 30 | 15 | 150 | |
| | | | | | T 3.9.2 |

| Cost of Construction/Maintenance | | | | R' 000 |
|----------------------------------|---------------------|----------|------------|---------|
| | Stormwater Measures | | | R' 000 |
| | New | Upgraded | Maintained | |
| Year -2 | 1 800 000 | 700 000 | 330 000 | |
| Year -1 | 1 900 000 | 900 000 | 420 000 | |
| Year 0 | 2 000 000 | 950 000 | 490 000 | |
| | | | | T 3.9.3 |

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

BCRM is in the process of developing a business plan for the formulation of the Storm water Master Plan, to be able to address all the challenges of storm water drainage system in all the areas.

COMPONENT C: PLANNING AND DEVELOPMENT

| Job creation through EPWP* projects | | |
|-------------------------------------|---------------|------------------------------------|
| Details | EPWP Projects | Jobs created through EPWP projects |
| | No. | No. |
| 2012/13 | 4 | 146 |
| 2013/14 | 4 | 158 |
| 2014/15 | 4 | 161 |
| * - Extended Public Works Programme | | T 3.11.6 |

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.9 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

Blue Crane Route Municipal libraries public library service at 6 circulating libraries across the Municipal area. Anyone may use these libraries, but only members may loan library material.

The Library Service aims to provide information resources in various formats to the entire BCRM population, to foster a life-long reading culture. Such resources include information to develop skills and interests; educational material to both the formal and informal education system; recreational material for leisure; and cultural material adding to an understanding of other cultures.

1. Providing updated information to scholars and community.

All the libraries have computers for the public to use and 5 libraries have internet as well. Measures taken to improve performance by means of librarians assisting public and scholars in using the internet and other computer programmes.

2. Outreaches to adults and children.

All the libraries provide outreaches to pre-scholars and 1 library provide outreach to the local Old Age Home.

Measures taken to improve performance: some librarians read out loud to the illiterate at the Old Age Home and pre-school scholars. Outreach programmes are offered to the elderly in the form of handcrafts.

3. Educational programmes for pre-scholars and scholars

Educational programmes are held for pre-scholars every week supplied by all libraries.

Measures taken to improve performance: Story hour programmes equips the children for school readiness.

Holiday programmes are provided to keep the children actively occupied and out of the street. These programmes ensure that every interested member of the community is reached and supplied with relevant information.

Support is given to the poverty stricken community by providing computers and books to improve their standard of living

SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

- 6 Libraries placed in every community for the use of all the members.
- 6 Qualified librarians and 3 qualified teachers are in charge of the libraries
- Members consist of 1102 Adults and 2225 children
- Every library have at least 15000 books
- Circulation is 116386 books yearly

3.10 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO THE CHILD CARE, AGED, SOCIAL PROGRAMMES.

The Blue Crane Route Municipality has a Special Programmes Unit which takes care of this function. The key issues undertaken during the year under review are:

Special Programmes

- Support with the establishments of Forums for Women, Youth, and People with Disabilities empowerment.
- Establishment of local Women's Caucus.
- Implemented empowerment session by the District Women's Caucus
- Formed partnership with sector departments in implementation programmes related to empowerment of designated groups.
- Hosting of Commemoration days
- Hosting of empowerment session for people with disabilities.
- Hosting empowerment session for women.
- Support newly established institution with minimal infrastructure

Hiv and Aids

- Provision of support to revive Local Aids Council (LAC)
- Conducting of HCT Campaign across the municipality.
- Hosting of an internal HCT for BCRM employees.

- Conduct community dialogues to create awareness around issues of Gender Based Violence, Alcohol abuse and Rights of women in society.
- Commemoration of 16 days Activism and World Aids Day.

Number of personnel associated with community and social services function:

- 1X Special Programmes Officer (SPO)
- 1X Hiv and Aids Coordinator

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

CHAPTER 4 – HUMAN RESOURCES

4.1 POLICIES

| HR Policies and Plans | | | | |
|---|---|-----------|----------|--|
| | Name of Policy | Completed | Reviewed | Date adopted by council or comment on failure to adopt |
| | | % | % | |
| 1 | Affirmative Action | 100% | | |
| 2 | Attraction and Retention | | | |
| 3 | Code of Conduct for employees | 100% | | |
| 4 | Delegations, Authorisation & Responsibility | 100% | | |
| 5 | Disciplinary Code and Procedures | 100% | | |
| 6 | Essential Services | | | |
| 7 | Employee Assistance / Wellness | 100% | | |
| 8 | Employment Equity | 100% | | |
| 9 | Exit Management | | | |
| 10 | Grievance Procedures | 100% | | |
| 11 | HIV/Aids | 100% | | |
| 12 | Human Resource and Development | | | |
| 13 | Information Technology | | | |
| 14 | Job Evaluation | | | |
| 15 | Leave | 100% | | |
| 16 | Occupational Health and Safety | | | |
| 17 | Official Housing | 100% | | |
| 18 | Official Journeys | | | |
| 19 | Official transport to attend Funerals | | | |
| 20 | Official Working Hours and Overtime | 100% | | |
| 21 | Organisational Rights | 100% | | |
| 22 | Payroll Deductions | 100% | | |
| 23 | Performance Management and Development | 100% | | |
| 24 | Recruitment, Selection and Appointments | 100% | | |
| 25 | Remuneration Scales and Allowances | | | |
| 26 | Resettlement | | | |
| 27 | Sexual Harassment | 100% | | |
| 28 | Skills Development | | | |
| 29 | Smoking | 100% | | |
| 30 | Special Skills | | | |
| 31 | Work Organisation | | | |
| 32 | Uniforms and Protective Clothing | | | |
| 33 | Other. | | | |
| Use name of local policies if different from above and at any other HR policies not listed. | | | | |
| T 4.2.1 | | | | |

Number and Cost of Injuries on Duty

| Type of injury | Injury Leave Taken | Employees using injury leave | Proportion employees using sick leave % | Average Injury Leave per employee | Total Estimated Cost |
|---------------------------------------|-----------------------|------------------------------------|---|---|-------------------------|
| | Days | No. | | Days | R'000 |
| Required basic medical attention only | 60 | 5 | 8% | 12 | 60 |
| Temporary total disablement | | | | | |
| Permanent disablement | | | | | |
| Fatal | | | | | |
| Total | 60 | 5 | 8% | 12 | 60 |

T 4.3.1

5-Jan-00 0-Jan-00

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| HR Policies and Plans | | | | |
|-----------------------|---|-------------|------------|--|
| | Name of Policy | Completed % | Reviewed % | Date adopted by council or comment on failure to adopt |
| 1 | Affirmative Action | 100% | | |
| 2 | Attraction and Retention | | 50 | |
| 3 | Code of Conduct for employees | 100% | | |
| 4 | Delegations, Authorisation & Responsibility | 100% | | |
| 5 | Disciplinary Code and Procedures | 100% | | |
| 6 | Essential Services | | 50 | |
| 7 | Employee Assistance / Wellness | 100% | | |
| 8 | Employment Equity | 100% | | |
| 9 | Exit Management | | 50 | |
| 10 | Grievance Procedures | 100% | | |
| 11 | HIV/Aids | 100% | | |
| 12 | Human Resource and Development | | 50 | |
| 13 | Information Technology | | 50 | |
| 14 | Job Evaluation | 100% | | |
| 15 | Leave | 100% | | |
| 16 | Occupational Health and Safety | 100% | | |
| 17 | Official Housing | 100% | | |
| 18 | Official Journeys | 100% | | |
| 19 | Official transport to attend Funerals | | 50 | |
| 20 | Official Working Hours and Overtime | 100% | | |
| 21 | Organisational Rights | 100% | | |
| 22 | Payroll Deductions | 100% | | |
| 23 | Performance Management and Development | 100% | | |
| 24 | Recruitment, Selection and Appointments | 100% | | |
| 25 | Remuneration Scales and Allowances | | 0 | |
| 26 | Resettlement | | 0 | |
| 27 | Sexual Harassment | 100% | | |
| 28 | Skills Development | | 50 | |
| 29 | Smoking | 100% | | |
| 30 | Special Skills | | 0 | |
| 31 | Work Organisation | | 0 | |
| 32 | Uniforms and Protective Clothing | 100% | | |
| 33 | Other: | | | |

Use name of local policies if different from above and at any other HR policies not listed.

T 4.2.1

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| Number of days and Cost of Sick Leave (excluding injuries on duty) | | | | | | |
|--|------------------|--|----------------------------|--------------------------|-----------------------------------|-----------------------|
| Salary band | Total sick leave | Proportion of sick leave without medical certification | Employees using sick leave | Total employees in post* | *Average sick leave per Employees | Estimated cost R' 000 |
| | Days | % | No. | No. | Days | |
| Lower skilled (Levels 1-2) | 24 | 90% | 10 | 30 | 0.15 | 30 |
| Skilled (Levels 3-5) | 40 | | | 22 | 0.26 | |
| Highly skilled production (levels 6-8) | 136 | | | 58 | 0.88 | |
| Highly skilled supervision (levels 9-12) | 6 | 95% | 2 | 26 | 0.04 | 31 |
| Senior management (Levels 13-15) | 230 | | | 11 | 1.48 | |
| MM and SS7 | 65 | | | 8 | 0.42 | |
| Total | 501 | 93% | 12 | 155 | 3.23 | 61 |

* Number of employees in post at the beginning of the year

Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

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| Management level | | Gender | Employees in post as at 30 June Year 0 | Skills Matrix | | | | | | | | | | | | | |
|--|------------------------|-----------------------|--|-----------------------|------------------------|-----------------------|------------------------|---|------------------------|-----------------------|------------------------|-------------------------|------------------------|-----------------------|---------------|---------------|--|
| | | | | Learnerships | | | | Skills programmes & other short courses | | | | Other forms of training | | | | Total | |
| No. | Actual: End of Year -1 | Actual: End of Year 0 | Actual: End of Year -1 | Actual: End of Year 0 | Actual: End of Year -1 | Actual: End of Year 0 | Actual: End of Year -1 | Actual: End of Year 0 | Actual: End of Year -1 | Actual: End of Year 0 | Actual: End of Year -1 | Actual: End of Year 0 | Actual: End of Year -1 | Actual: End of Year 0 | Total | | |
| | | | | | | | | | | | | | | | Year 0 Target | | |
| MM and s57 | | | | | | | | | | | | | | | | Year 0 Target | |
| | Female | 1 | | 0 | | 1 | | 0 | | 0 | | 1 | | 1 | | Year 0 Target | |
| | Male | 4 | | 3 | | 4 | | 1 | | 1 | | 2 | | 1 | | Year 0 Target | |
| Councillors, senior officials and managers | Female | 2 | | | | | | | | 2 | | 2 | | 2 | | Year 0 Target | |
| | Male | 0 | | | | | | | | 4 | | 4 | | 4 | | Year 0 Target | |
| Technicians and associate professionals* | Female | 4 | | | | | | | | 2 | | 2 | | 2 | | Year 0 Target | |
| | Male | 8 | | | | | | | | 8 | | 9 | | 8 | | Year 0 Target | |
| Professionals | Female | 8 | | | | | | | | 6 | | 6 | | 6 | | Year 0 Target | |
| | Male | 6 | | | | | | | | 2 | | 2 | | 2 | | Year 0 Target | |
| Sub total | Female | 15 | | | | | | | 1 | 10 | | 11 | | 10 | | Year 0 Target | |
| | Male | 18 | | | | | | | 4 | 15 | | 17 | | 15 | | Year 0 Target | |
| Total | | 0 | 66 | 0 | 0 | 3 | 0 | 10 | 0 | 50 | 56 | 0 | 50 | 66 | | Year 0 Target | |

*Registered with professional Associate Body e.g CA (SA)

74.5.1

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| Financial Competency Development: Progress Report* | | | | | |
|--|--|--|--------------------------------|---|--|
| Description | A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)) | Consolidated: Total of A and B | Consolidated: Total of Competency assessments completed for A and B (Regulation 14(4)(b) and (d)) | Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) |
| Financial Officials | | | | | |
| Accounting Officer | 1 | 0 | 1 | 0 | 1 |
| Chief financial officer | 1 | 0 | 1 | 0 | 1 |
| Senior managers | 3 | 0 | 3 | 0 | 0 |
| Any other financial officials | 8 | 0 | 8 | 0 | 0 |
| Supply Chain Management Officials | | | | | |
| Heads of supply chain management units | 0 | 0 | 0 | 0 | 0 |
| Supply chain management senior managers | 0 | 0 | 0 | 1 | 0 |
| TOTAL | | 13 | 0 | 13 | 1 |
| | | | | | 11 |
| | | | | | T 4.5.2 |

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

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| Skills Development Expenditure | | | | | | | | | |
|--|--------|---|---|-----------------|---|-----------------|-------------------------|----------|--------|
| Management level | Gender | Employees as at the beginning of the financial year | Original Budget and Actual Expenditure on skills development Year 1 | | | | | | |
| | | | Learnerships | | Skills programmes & other short courses | | Other forms of training | | Total |
| | | | No. | Original Budget | Actual | Original Budget | Actual | Original | Actual |
| MM and S57 | Female | | | | | | | 10 | 20 |
| | Male | | | | | | | 20 | 25 |
| Legislators, senior officials and managers | Female | | | | | | | | |
| | Male | | | | | | | | |
| Professionals | Female | | | | | | | | |
| | Male | | | | | | | | |
| Technicians and associate professionals | Female | | | | | | | | |
| | Male | | | | | | | | |
| Clerks | Female | | | | | | | | |
| | Male | | | | | | | | |
| Service and sales workers | Female | | | | | | | | |
| | Male | | | | | | | | |
| Plant and machine operators and assemblers | Female | | | | | | | | |
| | Male | | | | | | | | |
| Elementary occupations | Female | | | | | | | | |
| | Male | | | | | | | | |
| Sub total | Female | | | | | | | 10 | 20 |
| | Male | | | | | | | 20 | 25 |
| Total | | | 0 | 0 | 0 | 0 | 0 | 30 | 45 |
| *% and *R value of municipal salaries (original budget) allocated for workplace skills plan. | | | | | | | | %* *R | |

T4.5 3

Skills development Budget



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Councillors, Committees Allocated and Council Attendance

| Council Members | Full Time / Part Time | FT/PT | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non- attendance |
|-------------------------|--------------------------|---|----------------------|---------------------------------|---|---|
| | | | | | | |
| Scott, N. M. | FT | Finance | PR (Mayor) ANC | 87% | 13% | |
| Bradfield, R. M. | PT | Community Services | Ward 2 / DA | 80% | 20% | |
| Brown, K. C. | PT | Technical Services | PR / DA | 87% | 13% | |
| Du Preez, C. F. B. | PT | Finance; MPAC | PR / DA | 80% | 20% | |
| Funiselo, Z. | PT | Community & Corporate Services | Ward 6 / ANC | 100% | 0% | |
| Greeff, W. H. | PT | Corporate Service; LLF; MPAC | PR / DA | 80% | 20% | |
| Mali, M. K. | PT | Technical; Corporate & MPAC | Ward 4 / ANC | 100% | 0% | |
| Manxoweni, B. A. | PT | Corporate; Community; Finance; MPAC & LLF | PR / ANC | 87% | 13% | |
| Mjikelo, N. G. | PT | Technical; Corporate LLF & MPAC | Ward 1 / ANC | 73% | 27% | |
| Nonyi, M. | PT | Technical; Community & LLF | Ward 5 / ANC | 100% | 0% | |
| Yantolo-Nkonyeni, N. P. | PT | Technical & Community Services | Ward 3 / ANC | 87% | 13% | |

Note: * Councillors appointed on a proportional basis do not have wards allocated to them

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Functionality of Ward Committees

| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|--------------------|---|----------------------------------|---|--|---|
| Ward 1 | Clr Ntombentsha Mjekelo Nomalanga E Ndzuza Xabiso Maqenge Andiswa Sixaxa Mzuvukile A. Memba Musa Dyomfana Zamuxolo S Baskiti Duane Rozetta Leeuskter Vuyiswa Xaso | Yes | 0 | 0 | 0 |
| Ward 2 | Clr Rosalee Bradfield Mpumelelo W Mgabaza Nobelungu Gayi Mbulelo Cakana Cynthia Farrel Gladys Adams Pamella Fani Jason R Olifant Gerald Fillis Allan M Hobson | Yes | 3 | 0 | 0 |
| Ward 3 | Clr Neliswa Yantolo-Nkonyeni Zoleka Blouw Fiona Brown Fezile J Notshulwana Albertina Konzapi Nomsa Luthuli Philip D S Erasmus Xolile J Tom Monwabisi Lumka Dina Malambile Lumko Pieters | Yes | 1 | 0 | 0 |
| Ward 4 | Clr Mncedi K Mali Stanton Africa Evelyn Matomela Jersey Charlie Monwabisi A Nel Rose D Doro Suleiman M Gangat Jessie Olifant Vanessa S Louw Levin Doro Vuyani S Seja | Yes | 1 | 0 | 0 |
| Ward 5 | Clr Mendile Nonty | Yes | 2 | 0 | 0 |

TF

| | | | | | |
|--------|------------------------|-----|---|---|---|
| | Nomathamsanqa Qupe | | | | |
| | Thobile C Xakaxa | | | | |
| | Dawid Harris | | | | |
| | Salvester W du Plessis | | | | |
| | Daniel C Kulders | | | | |
| | Granville V Nel | | | | |
| | Noluthando J Gogo | | | | |
| | Gilbert S Nxahe | | | | |
| | Nomathshawe P Siziba | | | | |
| | Nompucuko M Ntshudu | | | | |
| | | | | | |
| Ward 6 | Cllr Zoliswa Funiselo | Yes | 0 | 0 | 0 |
| | Simphiwe Mbenya | | | | |
| | Mzukisi Sonkwala | | | | |
| | Ronnie Mbane | | | | |
| | Daphne Twenty | | | | |
| | Ntombentsha Ntlebi | | | | |
| | Palela P Mtshawu | | | | |
| | Thulethu Majikazana | | | | |
| | Odwa A Koba | | | | |
| | Sibongile A Thengeni | | | | |
| | | | | | |

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| Disclosures of Financial Interests | | |
|---|-----------------|---|
| Period 1 July to 30 June of Year 0 (Current Year) | | |
| Position | Name | Description of Financial Interests* (Nil / Or details) |
| (Executive) Mayor | Smith M | Person - Department of Education |
| Member of MayCo / Exco | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Councillor | Brasier R | Shares and Security in Company, - invested Alan Gray Person - BCPM |
| | Brown A | Shares and Security in Company, - B&S Interest in property, - Farm 370 Somerset East District Person - Cape Retirement Fund |
| | De Preez C | Interest in business undertaking - Called De Preez Professional Accountant Interest in property, - Ever 905 and 906 Somerset East |
| | Furseth Z | |
| | Greeff H | Shares and Security - PEG & B&B Membership of Trust - Mission Producers & Springvale Marketing Interest in Property - Springvale Farm |
| | Ma M | Person |
| | Markower B | Interest in property - 4*3 Peter Street, Cockhouse Person - Cape Retirement Fund |
| | McEne N | Person |
| | Mervil M | Person |
| | Van der Molen N | Person |
| | | |
| Municipal Manager | Klaas T | |
| Chief Financial Officer | Gobani J | |
| Deputy MM and (Executive) Directors | | |
| | Oetan F G | |
| | Monswinkel S L | |
| | Wile Z | |
| | | |
| Other S57 Officials | | |
| | | |
| | | |
| | | |
| | | |

* Financial interests to be addressed even if they occurred for only part of the year. See VGFPP 3134A

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| Disclosures of Financial Interests | | |
|---|-------------------|--|
| Period 1 July to 30 June of Year 0 (Current Year) | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| (Executive) Mayor | Ernest M | Person - Department of Education |
| Member of MayCo / Exco | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Councillor | Brigette E | Shares and Security, in Company - Invested A & B etc, Person - BCPM |
| | Brian E | Shares and Security, in Company - B+B Interest in property - Farm 370 Somerset East District |
| | Colin E | Person - Cape Retirement Fund |
| | Du Preez C | Interest in business undertaking - Colleau du Preez Professional Accountant Interest in property - Erven 305 and 306 Somerset East |
| | Elouise E | |
| | Ernest E | Shares and Security - PSG & BVB Membership of Trust - Midleton Producers & Springvale Marketing Interest in Property - Springvale Farm |
| | Maia V | nil |
| | Markowitz S | Interest in property - 413 Peter Street, Cockhouse Person - Cape Retirement Fund |
| | Marco N | nil |
| | Mandy M | nil |
| | Van der Nekveld N | nil |
| | | |
| Municipal Manager | Massa T | nil |
| Chief Financial Officer | Geetha G | nil |
| Deputy MM and (Executive) Directors | | |
| | Colani F G | nil |
| | McArdle S L | nil |
| | Natalie E | nil |
| | | |
| Other S57 Officials | | |
| | | |
| | | |
| | | |

* Financial interests to be disclosed even if they occurred for only part of the year. See MBR 5A3A

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Number of days and Cost of Sick Leave (excluding injuries on duty)

| Salary band | Total sick leave | Proportion of sick leave without medical certification | Employees using sick leave | Total employees in post* | *Average sick leave per Employees | Estimated cost |
|--|------------------|--|----------------------------|--------------------------|-----------------------------------|----------------|
| | Days | % | No. | No. | Days | R' 000 |
| Lower skilled (Levels 1-2) | 24 | 90% | 10 | 30 | 0.15 | 30 |
| Skilled (Levels 3-5) | 40 | | | 22 | 0.26 | |
| Highly skilled production (levels 6-8) | 136 | | | 58 | 0.88 | |
| Highly skilled supervision (levels 9-12) | 6 | 95% | 2 | 26 | 0.04 | 31 |
| Senior management (Levels 13-15) | 230 | | | 11 | 1.48 | |
| MM and S57 | 65 | | | 8 | 0.42 | |
| Total | 501 | 93% | 12 | 155 | 3.23 | 61 |

* - Number of employees in post at the beginning of the year

*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

CHAPTER 5 – FINANCIAL PERFORMANCE

The financial performance will be included after the Annual Financial Statements has been audited and will form part of the Final Annual Report.

5.1 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The Blue Crane Route Municipality depends for the most part on Grant Allocation to eradicate its backlog effectively. However the municipality does set out an annual budget to deal with backlogs. The department of Human Settlements has a programme of eradicating bucket system in Municipalities around the country. The BCRM has formed part of that programme aim at eradicating bucket system in the formal settlement. The Department has however indicated that this is a first phase and the next phase will look into eradicating bucket system in the informal settlement and the phase after that will look into eradicating sceptic tanks. The aim of the whole exercise is to provide/ connect communities to water borne system.

| Service Backlogs as at 30 June 2015 | | | | | Households (HHs) |
|-------------------------------------|---------------------------------------|-------|--|-------|------------------|
| | *Service level above minimum standard | | **Service level below minimum standard | | |
| | No. HHs | % HHs | No. HHs | % HHs | |
| Water | 8579 | 96 | 350 | 4 | |
| Sanitation | 8579 | 96 | 350 | 4 | |
| Electricity | 8579 | 96 | 350 | 4 | |
| Waste management | 8929 | 100 | 0 | 0 | |
| Housing | | % | | % | |

% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.

T 58.2

| Details | Budget | Adjustments Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) |
|---------------------------------|--------|-----------------------|--------|----------|-----------------------|---|
| | | | | Budget | Adjustments Budget | |
| Infrastructure - Road transport | | | | % | % | |
| Roads, Pavements & Bridges | 2000 | 2100 | 3500 | 57% | 60% | |
| Storm water | | | | % | % | |

| | | | | | |
|--------------------------------|-------|-------|-------|------|------|
| Infrastructure - Electricity | | | | % | % |
| Generation | | | | % | % |
| Transmission & Reticulation | | | | % | % |
| Street Lighting | | | | % | % |
| Infrastructure - Water | | | | % | % |
| Dams & Reservoirs | | | | % | % |
| Water purification | | | | % | % |
| Reticulation | | | | % | % |
| Infrastructure - Sanitation | | | | % | % |
| Reticulation | | | | % | % |
| Sewerage purification | 15500 | 6500 | 17399 | 89% | 37% |
| Infrastructure - Other | | | | % | % |
| Waste Management | | | | % | % |
| Transportation | | | | % | % |
| Gas | | | | % | % |
| Other Specify: | | | | % | % |
| Sport fields and parks | 3500 | 3500 | 1117 | 313% | 313% |
| Aeroville multi-purpose center | 2200 | 2200 | 2125 | 104% | 104% |
| Total | 23200 | 14300 | 24141 | % | % |

* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.8.3

COMMENT ON BACKLOGS:

MIG grants in the municipality has mainly been used to provide/ or augment the bulk sanitation in Blue Crane Route Municipality. The Municipality mostly has a backlog of aging infrastructure rather than no access to basic services

GLOSSARY

| | |
|----------------------|--|
| Accessibility | Explore whether the intended beneficiaries are able to access services |
|----------------------|--|

| | |
|---------------------------------------|--|
| indicators | or outputs. |
| Accountability documents | Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports. |
| Activities | The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do". |
| Adequacy indicators | The quantity of input or output relative to the need or demand. |
| Annual Report | A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General. |
| Approved Budget | The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive. |
| Baseline | Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period. |
| Basic municipal service | A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment. |
| Budget year | The financial year for which an annual budget is to be approved – means a year ending on 30 June. |
| Cost indicators | The overall cost or expenditure of producing a specified quantity of outputs. |
| Distribution indicators | The distribution of capacity to deliver services. |
| Financial Statements | Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed. |
| General performance indicators | After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally. |
| Impact | The results of achieving specific outcomes, such as reducing poverty and creating jobs. |
| Inputs | All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings. |

| | |
|--|--|
| Integrated Development Plan (IDP) | Set out municipal goals and development plans. |
| National Key performance areas | <ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation |
| Outcomes | The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve". |
| Outputs | The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area. |
| Performance Indicator | Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered) |
| Performance Information | Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure. |
| Performance Standards: | The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor. |
| Performance Targets: | The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period. |

| | |
|--|--|
| Service Delivery Budget Implementation Plan | Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included. |
| Vote: | <p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p> |